Intelligent solutions for the management of healthcare products at the point of care

EFFICIENT LOGISTICS AND INVENTORY MANAGEMENT SOLUTIONS IN AND EN ROUTE TO HOSPITALS

Arvato Supply Chain Solutions offers STOK’s tailored services for medical equipment and pharmaceutical companies. These services create transparency regarding stock levels, product usage and product availability, while also saving manufacturers time and money. In this way, Arvato also reduces the workload of external sales forces and hospital staff so that they have more time for their core tasks.

With its many years of experience in the healthcare market, especially in the area of supplying clinics with medical products, Arvato’s STOK team is the ideal partner for effective logistics and transparent inventory management processes – throughout Europe. STOK employees perform regular inventory inspections and reporting tasks, which means that hospital staff have more time for what matters most – patient wellbeing. Improvements in product availability also strengthen the partnership between hospitals and medical technology manufacturers.

**STOK solutions at a glance:**

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<th>Symbol</th>
<th>Description</th>
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<tr>
<td>![Icon]</td>
<td>The leading European service system for the inventory management of high-value healthcare products at hospitals</td>
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<td>![Icon]</td>
<td>Guarantees constant product availability while also optimizing process costs</td>
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<td>![Icon]</td>
<td>Specialists in high-value medical and pharmaceutical products – all of the statutory requirements are fulfilled</td>
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<td>![Icon]</td>
<td>Partnerships with leading medical technology manufacturers</td>
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<td>![Icon]</td>
<td>The team of specialists has unrivalled expertise in the field of Medical Devices and is familiar with the specific demands of the cardiology, endoscopy, ophthalmology and orthopaedics industries, for example. It also knows each hospital’s individual requirements and preferences – throughout Europe</td>
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Inventory management up to the point of care

STOK partners with numerous medical technology manufacturers and its solutions are based on a client-specific, modular service concept. The solutions range from stocktaking on the ward and site-specific usage analyses and recommendations regarding the optimum stock level, right through to comprehensive inventory management solutions – our Vendor Managed Inventory (VMI) service.

In addition to recording and replenishing stocks, the VMI service also includes the reordering, management and redistribution of products that are close to their expiry date as well as the proactive maintenance of devices. To this end, our STOK employees pay regular, comprehensive visits to hospitals throughout Europe, check that the equipment in the hospitals does not fail, thus avoiding high transport costs for urgent spare parts devices or returns.

Efficient consignment warehouse management with STOK

Keeping high-value and specialized pharmaceutical products and medical technology products in consignment warehouses is standard practice. The documentation of used products can sometimes be overlooked in emergency situations, which leads to a lack of transparency regarding stock levels. This makes it difficult to achieve the best possible balance of maximum availability and reduced stock levels. This results in stock shortages and competitor’s products can sometimes even be used for an implantation. STOK inventory management services provide an integrated solution that helps to avoid such situations.

The bridge between central warehouse and local availability
Customized, modular service concept

1. **Cycle Counting**
   - Counting of product inventories at defined intervals
   - Analyses of actual usage
   - Recommendations for optimized inventory management

2. **Inventory Management**
   - Removal of expired products
   - Marking products that are close to their expiry dates (‘Use me first’ sticker)
   - Inventory analyses
   - Recommendations/reporting for optimization

3. **Vendor Managed Inventory (VMI)**
   - Reordering
   - Replenishment of product inventories up to defined target level
   - Invoicing

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**Our inventory management solutions in and en route to Hospitals**

**Customized, modular service concept**

**Cycle Counting**

Cycle Counting forms the basis of STOK’s inventory management solutions. It involves our employees visiting hospitals to reliably record and document stock levels and, where applicable, to clarify any discrepancies immediately on site. In this way, the manufacturer obtains a detailed picture of product usage and the remaining stock on an article by article basis. The frequency of the cycle can be agreed on an individual basis, for example it could be every two weeks, once a month or once a quarter. There is also flexibility regarding the systematic on-site stocktaking process. Either STOK’s own scanner-based stocktaking system can be used or the manufacturer’s own IT solutions can be integrated into the process.

**Inventory Management**

Inventory Management supplements the Cycle Counting service by identifying and collecting products that are close to their expiry dates. The objective is to make appropriate use of these products and thus to avoid destruction costs. One way in which STOK helps to ensure that the identified products are used first is by displaying a ‘Use me first’ sticker in a clearly visible place on the packaging. Expired products or articles with a too short remaining term are returned to the manufacturer by STOK.

If requested by the client, such returns can also trigger an appropriate subsequent delivery. STOK can also assume responsibility for the thorough monitoring of expiry dates, which ensures the proactive supervision of this process.

**Vendor Managed Inventory (VMI)**

The Inventory Management service can be supplemented by adding our comprehensive VMI solutions, whereby STOK also triggers subsequent reordering, performs on-site checks of products from subsequent deliveries and transfers them to the consignment warehouse. This replenishment process usually takes place on the following working day or the day after next, in line with client-specific requirements. If requested, regional warehouses (forward stocking locations) can be used in order to provide same-day deliveries. Alternatively, deliveries can be shipped from our European central warehouse. It is possible for STOK’s own forward stocking locations, the manufacturer’s central warehouse or our international logistics and distribution centers to be seamlessly integrated into any solution.
In addition to our portfolio of services, which includes Cycle Counting, Inventory Management and VMI, our implant kits also help manufacturers to significantly reduce stock levels at their consignment warehouses. STOK creates kits by collating all products and consumables needed for an implantation. The kits are delivered to the ward at the hospital as required for the operation, after which they are collected again. STOK has its own fleet of vehicles, which we use to provide prompt deliveries directly to the hospital wards – in emergencies these deliveries arrive within just a few hours. Afterwards, STOK employees check to see which products were used so that the hospital is only invoiced for the articles actually used.

The advantage of these implant kits is that all of the products needed for the operation are in the right place at the right time. It also relieves hospital staff of the associated administrative tasks so that they have more time for patients. Implant kits are already being used for cardiovascular medical equipment and orthopaedics and it is always possible to expand the solution to include additional product groups.

Urgent deliveries

With an express delivery, for example in Germany every hospital can be supplied within a few hours.
The advantages for manufacturers:
- Increased sales due to higher levels of product availability while keeping stock levels low
- Increase in transparency regarding data and usage
- Avoidance of costs associated with product expiry and destruction
- Reduction in inventory discrepancies
- The potential to minimize costs for delivery and transport by consolidating shipments
- Relieving the workload of the manufacturer’s sales force
- Quick invoicing
- Higher levels of customer satisfaction and loyalty

The advantages for hospitals:
- Relieving hospital staff of administrative and logistics-related tasks › more time for patients
- Avoiding stock-out situations by using an optimized inventory management system and transparent flows of information
- Hospital staff have one main, cross-manufacturer contact person – for all wards and storage areas
- The tailored configuration, delivery and collection of implant kits optimizes stock levels at the hospital
- Standardized processes and a reduced number of interfaces
- Automatic reporting for hospitals about a supplier’s stock removal data

Reverse logistics and exchanging products
STOK offers a comprehensive returns management service for hospitals, which also includes product exchange by way of inter-hospital deliveries. Offering this service involves us being in direct contact with hospitals, which accelerates the processes and significantly reduces the number of errors made with collections. Notified returns are collected by our own employees. They are then checked in accordance with SOP at our STOK sites, after which they are warehoused again – or sent for destruction. We also offer manufacturers a special service for product recalls, whereby STOK employees identify specific serial numbers at hospitals and recall the relevant products.

Bio Bins
Bio bins (UN3373) simplify the collection and disposal of explanted pacemakers. The bio bins are collected directly from the operating theatre. The devices they contain are then catalogued and the device serial numbers are reported back to the manufacturer. If required, this solution can be extended to include additional products.
Behind the scenes, the customer service team takes care of all of the administrative tasks associated with STOK’s services. These include documentation, the accurate and timely settlement with manufacturers, invoicing and the whole area of order processing.

We support every client with our comprehensive reporting system and we actively make recommendations regarding stock levels and the frequency of deliveries. In addition to this, each hospital has one of our STOK employees as a permanent point of contact. This employee records stock levels, restocks and collects products. This builds trust with nursing staff while also improving the partnership between the hospital and the manufacturer.

We deliver quality of life

AS HEALTHCARE SPECIALISTS, WE HELP TO CREATE A NETWORK OF ALL STAKEHOLDERS IN THE HEALTH SECTOR

We believe that healthcare systems, sales channels and distribution chains undergo constant change to ensure patients derive the greatest benefit from innovative and existing pharmaceuticals and medical products at the most reasonable costs. We support you in making this happen!

Arvato integrates healthcare know-how, industry knowledge and broad understanding of processes and IT systems to develop bespoke outsourcing solutions. Our clients benefit from seamlessly integrated order-to-cash solutions, which connect them to the point of care, bringing them closer to their patients.

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