

“Manhattan has helped us create an optimal environment for the distribution of customer products. That means we can continue to help our clients better serve their customers.”

David Conn, Head of IS
Movianto



Manhattan solution is the perfect prescription for the ultimate warehouse and distribution system

MOVIANTO'S HEALTHY SUPPLY CHAIN HELPS THE MEDICINE GO DOWN

Movianto, a subsidiary of Stuttgart, Germany-based Celesio AG, is Europe's leading logistics service provider for the pharmaceutical and healthcare industry. The company serves some of the world's top pharmaceutical manufacturers, including Bayer, Sanofi Aventis and GSK, and by value, delivers more than 40 percent of medicines in the UK alone.

Movianto's clients operate in an extremely competitive environment. They face intense pressure to deliver new drugs and their profit margins are continually being squeezed. These pressures challenged Movianto to provide premium service to a wide range of delivery points, including hospitals, wholesalers, nursing homes, GPs, retailers, pharmacists and home patients, at a competitive price. To do so, the company had to create the most advanced third party warehouse ever built solely for healthcare products in the UK.

WMS ADDRESSED ALL OF THE NEW DISTRIBUTION CENTRE'S NEEDS

In early 2001, Movianto (then trading in the UK as Healthcare Logistics) started work on creating an 11,000 square-metre warehouse in Bedford (extended in 2004 to 24,000 square-metres). It would be purpose-built around the needs of the UK pharmaceutical and healthcare customers.

After an extensive search process, Manhattan Associates' Warehouse Management solution (WMS) for the IBM i platform was selected to completely automate the new facility. The solution offered the flexibility Movianto needed to accommodate the multiple operating procedures of its growing list of clients. Even more importantly WMS could manage batch control and track expiration dates—critical functionality in the world of life sciences.

movianto

Distribution centres: 8

Manhattan solution:
Warehouse Management

Challenge:

High profile pharmaceutical customers needed an optimised warehouse and distribution system in order to maximise margins in a highly competitive industry.

Goals:

Create the most advanced third party warehouse ever built solely for pharmaceutical and healthcare products in the UK.

Solution:

Manhattan provided WMS to manage customers' multiple operating procedures in Movianto's UK warehouse.

Results:

The 24,000 square-metre warehouse serves more than 65 customers, and handles 7,000 SKUs, 50,000 orders/month/30m units for distribution to more than 35,000 delivery points.

THE NEW CENTRE OPERATES IN PEAK CONDITION

All product movements are controlled by the Manhattan solution, supported by radio-frequency (RF) technology. Inventory specifications are either pre-received into the system via Advance Ship Notices (ASNs) or entered into the system as goods are received at the warehouse.

Upon arrival, products are inspected for quality and, where required, information such as batch number, expiry date, pack size, quantity and number of items is updated in WMS. All goods-in pallets also receive a bar coded label to enable detailed product and batch traceability. The WMS then decides where goods are to be stored. For maximum efficiency, faster moving items are held in double deep pallet live racking and slower moving products are held in carton live racking that allows for cartons to be stocked six deep.

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Thanks to Manhattan's WMS, the Bedfordshire distribution centre has grown to handle 7,000 SKUs and 50,000 orders or 30 million units per month for more than 65 clients that distribute to more than 35,000 delivery points.

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Orders are released to the warehouse for picking in waves, which can be determined by customer, warehouse area, delivery point, or by delivery due date. These specifications also provide the basis for checks for sufficient stock and, where necessary, commands replenishment from reserve locations. All pick operatives in the facility are instructed and controlled through radio data terminals.

As orders are completed, a carton wave manifest is printed and the WMS sends an update back to the appropriate host. Shipments are then built according to post codes and load volume and delivered to their destinations via Movianto's private fleet of 210 vehicles.

THE SUPPLY CHAIN IS NOW HEALTHIER THAN EVER

Movianto's primary concern in creating the most advanced third party warehouse for healthcare distribution in the UK was to be able to capitalise on enormous business growth opportunities. And it has, in fact, grown tremendously: from serving one customer when the Bedford location first opened, to now handling 7,000 SKUs and 50,000 orders or 30 million units per month for more than 65 clients that distribute to more than 35,000 delivery points.

Manhattan Associates has made it easy for Movianto to scale capacity to the unique needs of each new customer. Via third party middleware, the WMS can interface to virtually any host system, which enables Movianto to accommodate special value-added service requirements for individual customers and orders.

The solution has subsequently been installed at two additional sites at High Wycombe and at Castlereagh in Northern Ireland. The company also plans to expand implementation to its Knowsley facility near Liverpool. To further optimise operations, Movianto is also considering the addition of Manhattan Associates' Labour Management, Billing Management and Supply Chain Intelligence solutions.