Transportation Management Integration Grows into Innovative Partnership for Leading 3PL Provider

Collaborating with Accelogix for bulk retail and pharmaceutical serialization increases efficiency, provides competitive muscle for MD Logistics

ORGANIZATION
MD Logistics

LOCATION
Indianapolis, IN

INDUSTRY
Logistics

Organization Information

- Since 1996, global third-party logistics (3PL) provider MD Logistics has delivered customized logistics solutions to the pharmaceutical, life sciences, retail, and consumer goods industries.

- MD Logistics' U.S. facilities provide warehousing, distribution, fulfillment, packaging, transportation, and global freight forwarding.

- Product safety, security, and regulatory compliance is of primary importance to its clients.

Solution

- Accelogix Consulting for Agile TMS Integration.
- Accelogix Consulting for Process Improvement.
- Accelogix Consulting for Pharmaceutical Serialization.

Business Benefits Realized

- Printing case or pallet labels based on client and service level allows for close customization for each customer.

- Optimized 2D barcodes for pharmaceutical serialization requirements provide speedy track and trace.

- Capture of serials at the bulk level prompts increased worker productivity.

- Customized systems for federal requirements ahead of deadline, resulting in customer satisfaction and unique competitive advantage.

MD LOGISTICS

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– Jim Hepp, Director of Strategic Development and Planning, MDL

As a third party logistics partner for pharmaceutical, life science, retail and consumer products companies, MD Logistics knows the value of accuracy. Many of their customers provide life-saving drugs to patients across the globe. From its inception in 1996, the company has had one mission: delivering the Right material, in the Right condition, to the Right place, at the Right time.

"We were evaluating transportation management systems (TMS), Agile Network being one of them," Jon Francis, Director of IT for MD Logistics, remembers. As they reached the final phases of the vendor selection process, integration of transportation IT and warehouse IT became a deciding factor.

"We were looking for a partner to help us integrate Agile TMS with our JDA (formerly RedPrairie) warehouse management system (WMS)," Jon says. "Our important question was, how could we get Agile Network's Shipping TMS to integrate into the JDA WMS? How could we make it work to fit our operations?" Agile Network suggested that the MD Logistics team speak with Accelogix President Seth Patin.

Seth's experienced consulting team had worked with Agile Network at another 3PL site where they had implemented Agile TMS. In the initial half-hour conversation, Seth discussed a number of topics related to implementation of the Agile TMS solution. "Based on Seth's knowledge of the 3PL business

from the vendor side, coupled with his technical knowledge of how to integrate the two information systems, we felt that Accelogix could help us with not only our initial project, but with some of our upcoming client WMS projects as well," Jon added.

A Supply Chain Partnership Based on Trust

"From our first visit with MD Logistics, we had a degree of respect and trust for each other," Seth recalls. "The ideas they had with respect to where they wanted to take their business were ideas that Accelogix could help implement and deliver on." Jim Hepp, Director of Strategic Development and Planning for MD Logistics, agrees.

"The most impressive thing about working with Accelogix was being able to bounce ideas off of them and not being limited by a standard vendor-client relationship where the vendor calls the shots," he said. "To customize the TMS in a way that fit our business, our Accelogix Project Leader, Ian McDermott, would first go and see what the core system could do using standard configurations, and then look to see what we could modify. Other vendors would just dive in and modify the system based on their own knowledge, regardless of how the system was designed to work in the first place. Ian, on the other hand, would fully research the issue. So we were getting system enhancements based on how the system works."

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Such an approach is the key to the Accelogix six-step implementation methodology. Accelogix was open to MD's suggestions about how the provider could get what they needed accomplished, while still retaining their necessary flexibility as a 3PL. The need to adapt quickly, and to proactively manage new regulations in their clients' industries, has been a critical factor in MD's record of successful execution.

The MOCA Advantage

The ability to extend their WMS, and keep it configurable without hard coding, gave MD Logistics complete control of their IT systems and future application development. MOCA, the patented service-oriented architecture at the core of JDA WMS, provides MD Logistics with the ability to enhance business processes by adding scripted business logic to use standard services in a different order or with different data rather than rewriting them. This methodology also facilitates easier transition of customer-exclusive business logic through upgrades to JDA WMS by separating upgraded product features from the system extensions that leverage those features.

"The power of MOCA allows us to create custom processes that don't negatively impact your upgrade path and allow seamless interaction to the users, so as to be most effective for MD's customers," notes Chris Positano, a Director of

Consulting for Accelogix and MD Logistics' Customer Manager. MOCA allows for items to be policy or vendor-driven without making changes to the standard product. "This is the clear advantage of JDA WMS over other systems," Jim says.

One such custom configuration helped improve compliance demands for its retail and pharmaceutical customers. MD Logistics' WMS was configured to handle documentation and labeling by client, but the company needed to base retail and pharmaceutical compliance off of both "client" and "ship-to customer" type configurations. "We made some policy configuration changes so that we can get the proper documentation out with shipments by certain criteria," Jim explains. "We are now printing case or pallet labels based on client level and service level. So the solutions that we provide are closely customized to each client."

Implementing Pharmaceutical Serialization Puts MD Logistics Way Ahead of the Pack

Accelogix has worked on both sides of MD's business—retail and pharmaceutical supply chains. This work has centered on process improvements. For retail serialization, this entails things like tracking serial numbers on electronics for warranties. For pharmaceutical serialization, it involves the tracking and tracing of drugs from a host of organizations throughout the supply chain.

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In 2013, the federal Drug Quality and Security Act was signed into law to establish track and trace requirements throughout the pharmaceutical supply chain. It requires wholesalers, among others, to provide transport documentation at each point of transfer. This documentation must contain the unique unit identifiers for each bottle, box or package of a drug being transported, further multiplying the already complex pharmaceutical supply chain.

Project Lead Ian McDermott explains. "Before implementing the Accelogix solution, for items that require "each" level serial number capture, pickers were forced to scan individual barcodes one at a time, since 2D barcode capture was not supported out of the box. For SKUs that contained 10 to 20 or more eaches in a single case, this led to miss-scanning of the individual barcodes that were squeezed in very small on the label." For MD Logistics' businesses, this created duplicates and delays from labor-intensive work. "Now we can utilize larger 2D barcodes and capture all the serial numbers in a case or on a pallet with a single scan," Ian notes.

Chris says the challenges posed by MD Logistics led to the development of new, innovative solutions for the company. "For their pharmaceutical serialization project, they came to us with a problem that was cutting edge; no other business in the industry has figured out how to do it, and definitely no 3PL has figured out how to do it. We worked with MD to modify not just JDA WMS, but also their business. We looked at what parts need to stay the same, and what parts need to change, and helped them understand these processes as well as systematically make the system meet them."

Together, both companies studied the new serialization requirements and developed modifications for compliance. The Drug and Safety Act regulations originally demanded a 2014 deadline, but with the creation of newer laws, that date has moved back to 2017. "This solution puts MD Logistics at the forefront of the industry," Chris says. "A company that many may not be familiar with will have been the first to figure out pharmaceutical serialization when no one else could." The system is now live with some of MD Logistics' most forward-thinking clients.

Built for Scalability and Growth

Jim Hepp has noted the direct benefits of the modifications Accelogix has made to its WMS. "Being able to capture serials at the bulk level within a case or pallet is driving higher productivity in our warehouses," he says. "Our pharmaceutical lines are integrated with pharmaceutical serialization, tracking receiving into the JDA WMS and going back out to our customers. We have more controls in place."

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> We enjoy working with Accelogix because they are not afraid to share information. They first understand the system functionality of the base product and then share their solution for the issue at hand as well as identifying other inconsistencies that may also arise. With the transparent communication, they are able to look at the code wholly to determine other potential issues. Along with this process they educate our team on the logic that is inherent to the system so that we continue to maximize the core system. It is a true partnership because we are working together and educating each other."

Jim Hepp, Director of IT, MD Logistics

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Seth says the key to the ongoing partnership is continuous collaboration. "One of the things they told us from the beginning was they were going to need us to scale with them and that growth was going to be necessary."

"We've always aimed to understand their business so that when they come with questions and requirements we could give them other options to consider," notes Chris. "Open communication is always present. We look to meet their needs, but we never try to give them ridiculous modifications. We work together to find solutions that make sense for their business in the 3PL world that a standard out-of-the-box-solution couldn't meet."

"At Accelogix, we see our clients not as customers but partners," says Ryan Kirklewski, Vice President of Consulting Services at Accelogix. "Our success is based on their success and their ability to meet their clients' needs, whether those are 3PL clients, industry clients, or new companies in new markets. We want them to not just be efficient, but able to differentiate themselves."

For companies looking for a reliable, long-term partner to help them adopt pharmaceutical serialization, Jim Hepp recommends Accelogix both for their approach and commitment to their client's success. "They try to understand what the customer is trying to do. They walk through your warehouse and apply that instead of trying to force you to change according to some standard of how a warehouse should work. They applied our complexities and made our system configurable, going as far down as we needed to control it and how complex we needed to make it."

Jim sums it up: "We enjoy working with Accelogix because they are not afraid to share information. It is a true partnership because we are working together and educating each other."