Africa’s first-choice healthcare “route-to-market” partner … driving access to affordable, quality products
The Critical Touch Points Of Supply Chain

- Investment Capital
- Working Capital
- Cost to Serve
- Capacity to Fund
- Capacity to Supply
- Capacity to Regulate
- M & E
- Min Cost
- Max Availability
- Adequate Quality
- VCT
- Care
- Labs
- Dispense
- Production
- Sourcing
- Logistics
- Dispense
Stop Teaching Ancient History … And Start Teaching Supply Chain!

"MDS is the leading reference on how to manage essential medicines in developing countries. Originally published in 1982, it was revised in 1997 with over 10,000 copies distributed in over 60 countries worldwide. The third edition, MDS-3 reflects the dramatic changes in politics and public health priorities, advances in science and medicine, greater focus on health care systems, increased donor funding, and the advent of information technology that have profoundly affected access to essential medicines over the past 14 years."
“The Rule Of 72”
New Ways To See Need & Response In PHSCM

<table>
<thead>
<tr>
<th>LOW VOLUME SITES</th>
<th>HIGH VOLUME SITES</th>
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<tbody>
<tr>
<td>LOW VOLUME / RELIABILITY SUPPLIERS</td>
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<tr>
<td>7 Top suppliers</td>
<td>CMS – 30%</td>
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<tr>
<td>27 Major hospitals</td>
<td>Cross-Docking – 40%</td>
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<tr>
<td></td>
<td>Direct Delivery – 30%</td>
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</tbody>
</table>

7 X 27 = 70% !

"The CMS CAN Endure!"
Buffers – Delinking Variance

**PRE-PIPE**
Stop TB – Stock at manufacturers.
Poor reliability of supply, long order-delivery lead times

**POST-PIPE**
The classic CMS model – No regional buffering. No supplier variance management

**PARA-PIPE**
The Dutch government project of 2005 – 100% stock write-off

**INTRA-PIPE**
USAID’s RDC model – 99% OTIF, 0% Stock outs, .15% expiry
“Pimp The Private Sector” – CML’s Success Story

2011  -  ~ 15 trucks
       -  ~ 100cbm vehicle volume
       -  ~ 80cbm delivered per month
Scale-Up started with ACTs
Added USG RH & GFATM malaria

2012  -  ~ 30 trucks
       -  ~ 60 sustainable jobs created
       -  ~ 610cbm vehicle volume
       -  ~ 600 – 1,000cbm delivered per month
Still operating with IHS as 4PL

Replicated in Nigeria … 4,500 sites serviced bi-monthly by 6 3PLs

… and replicated in Senegal …
The Senegal Informed Push Model

Old Pull & Push Models

- "Push" model: Deliver to Plan – not need
- "Pull" model: Deliver to Order

Informed Delivery Models

- “Van Sales”: Deliver to Demand - stock on hand is validated & order built at site based on actual need
- “Model Stock” is continually refined based on consumption, stock on hand and safety levels
- “Smart Drivers” reduce the need for SDP personnel to be skilled & attentive in anticipating & managing needs
- “Level jumping” reduces stock & activity costs
- Decision data informs next cycle of delivery & central procurement needs
- Route volume aggregation buffers demand variance across SDPs
Africa’s first-choice healthcare “route-to-market” partner … driving access to affordable, quality products