



# Case Study: Direct to Representative Sample Distribution Services

patheon

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# Introduction

Pharmaceutical manufacturers use a range of marketing channels to promote their prescription drug product. In the United States, one of those channels is to have Pharmaceutical Sales Representatives 'hand carry' samples to the health care practitioners within their territories. Manufacturers require an efficient sample distribution program that enables sales representatives to be as productive as possible. At the same, they must ensure full compliance with stringent industry regulations while minimizing product loss.



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## The Challenge

A top 20 global pharmaceutical manufacturer had worked with a parcel carrier for ten years to handle 1,700 monthly commercial sample product deliveries to Sales Representatives. Although the process had been in place for a considerable amount of time, it was not without its challenges:

- **Reduced Time in Territory** – Sales Representatives were required to be at their designated delivery location (residence or storage unit) for the entire day awaiting their package delivery.
- **Poor Quality** – On a monthly basis, the client was experiencing an average of five to ten FDA reportable losses, introducing additional costs and placing an administrative burden on their team.
- **Product Loss** – Due to a high rate of product damage during shipment, the client was processing over 200 returns annually, further impacting Sales Representative time in territory as they were required to process the return. Additionally, the manufacturer was experiencing the financial loss associated with lost product.

## The Solution

The Patheon specialty logistics service offering includes a comprehensive Direct to Representative sample distribution solution. The specialty logistics team began by analyzing the client's distribution data in order to design a model that would optimize efficiency while delivering improved service levels.

- **Distribution was improved** by packing an entire market in single day, allowing for consolidation of line haul transportation which translated into cost efficiencies.
- **Representatives have a standing meeting day and time** for their delivery appointment at their storage unit or residence. All unwanted packaging material can be removed at time of delivery and, as needed, return shipments can be coordinated with delivery.
- **Quality standards ensure strict chain-of-custody** while reducing/eliminating loss and damage. The Thermo Fisher Quality Management System is used throughout our operations, and the Client Services team provides proactive oversight and reporting.



## Conclusion

Given their supply chain logistics expertise, the specialty logistics team approached this project with a unique perspective focused on overall efficiency.

By leveraging its extensive network of local delivery vendors, each of which is briefed on industry regulations and trained to Thermo Fisher Scientific Standard Operating Procedures and Client Work Instructions, the standard of quality was measurably improved.

The streamlined distribution, improved quality and appointment-based local delivery enabled:

- **Increased Time in Territory** – Sales Representatives have a 1-hour standing delivery appointment at location of choice, and are no longer required to block a full day of selling time simply to receive a shipment.
- **Improved Quality** – Client experienced over two years with no FDA reportable losses.
- **Cost Savings** – Reductions in Over, Short & Damage eliminated over 200 annual returns and their associated financial write-offs.

