

CASE STUDY: PRODIGY HEALTH SUPPLIER

## N THE CASE OF PRODIGY HEALTH SUPPLIER, THE EFFECTIVENENESS OF THEIR SALESFORCE ERP HAS **life-and-death** consequences.



**THE FACTS** Prodigy is a nationwide specialty distributor of urgently-needed pharmaceutical drugs, used primarily for treating snake-bite victims, and hemophiliac trauma patients. The network of redundant distribution hubs managed by Prodigy are accredited by the National Board of Pharmacy as a Verified-Accredited Wholesale Distributors (VAWD).

The market for hemophilia recombinant therapies is set to grow from \$5.4 billion in 2014 to \$6.3 billion by 2024, according to research and consulting firm GlobalData.<sup>1</sup>

Because the drugs are expensive, and have limited shelf-life, and because hospitals cannot predict demand, hospitals do not want to buy the drugs speculatively. They don't want to buy them until they are sure that they need them, for fear that the drugs will expire on their pharmacy shelf.

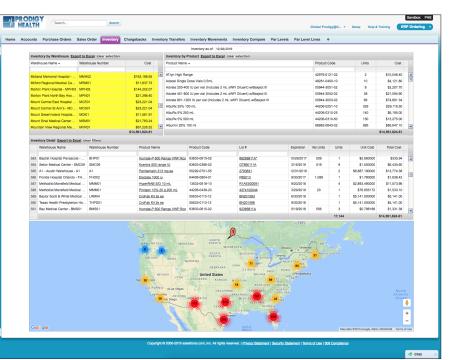
And yet, the required lead-time for procuring the medication - when they need it - is measured in hours and minutes, not days or weeks.

Drivers of hemophilia A and B recombinant therapies

include the disease's growing prevalence and the increasing use of recombinant products and prophylactic regimens.<sup>2</sup>

The medicines that Prodigy distributes are characterized by the following challenging combination of constraints:

- they are expensive
- they expire
- demand is unpredictable: how many snake bite victims will arrive in our ER today?
- demand is extreme: a hospital either needs none, or needs a lot of it very quickly



SALESFORCE ERP IS SEAMLESSLY INTEGRATED



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## SAVING LIVES WITH SALESFORCE

To solve for these constraints, Prodigy operates 250 consignment warehouses across the US, within the pharmacies of various hospitals. The hospitals do NOT need to pay for the medication that is in their inventory, until or unless they use it. The benefit to the hospital is that they have immediate access to the medicine, without the financial exposure to the risk of expiring medications. In exchange for this benefit, the hospitals agree to ship the drugs to any location that Prodigy requests, on a moment's notice.

Prodigy's business involves calling upon hospital "A" to ship drugs from Prodigy's consignment inventory to hospital "B", usually with extreme urgency.

Prodigy also operates several of their own warehouses directly, and using 3rd Party Logistics. It is a fact of Prodigy's business that Prodigy's operational effectiveness is a determining factor in patient survival rates.

## ACCURATE, DETAILED, REAL-TIME INVENTORY VISIBILITY

Maintaining accurate inventory counts at 250 separate consignment warehouses is a challenge for any company, and Prodigy addresses this challenge with a customized Salesforce ERP system implemented by Gimbal Logic. In addition to providing real-time visibility into inventory levels, the software uses geo-location to allow Prodigy to quickly assess and determine the closest inventory location to use, to ship to a hospital that needs it urgently.

The difference between choosing inventory that is 200 miles away and 500 miles away can be life-saving. However, there are also situations in which warehouse "A" that is 50 miles away has the same medication as warehouse "B" that is equidistant, but the medication in warehouse "A" is set to expire sooner than the medication in warehouse "B". In those cases it is important for Prodigy to select the medication that is expiring sooner, in order to minimize one of Prodigy's greatest financial risks: expiring inventory.

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Prodigy Health Supplier has transformed into a primary-contracted supplier for a rapidly increasing number of IDN's across the nation as a result of our transparent contracts and pricing models, product expertise and secure logistics network.



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In a nutshell, Prodigy's ability to make real-time decisions based on inventory levels, distance to the trauma, and expiration date of the medicine, is a significant differentiator in their effectiveness and profitability.

Since adopting Salesforce ERP, Prodigy has realized the following benefits:

- Significant revenue growth without growing headcount, because it's just easier for everyone to do their job
- Reduced losses due to expiring medications, becauseofaccurate, detailed, real-time inventory visibility
- Management decisions are more valuable, because the business operates on "One Version of the Truth"
- Strategic decisions are better, because the business operates on a single, accurate, high-quality dataset

What sets Gimbal Logic apart from other solution providers is our relentless focus on the customer's business, and tailoring the solution to the customer's operational needs and budgetary constraints. Gimbal Logic acts as a business process consultant, finding cost-effective ways to deploy cloud-based software to solve customer challenges. The power of our solution lies in the competitive advantage that it creates for our customers, effectively facilitating their next phase of profitable growth.

Contact Gimbal Logic today to discuss what makes your business special, what drives your competitive advantage, and what tools can be deployed to reach your next milestone of growth.



Gimbal Logic builds and implements low-cost cloud-based solutions for mid-size companies in the manufacturing, construction, and professional services industries. Gimbal offers 100% salesforce native all-in-one solutions and applications for accounting, enterprise resource planning, inventory management, and workflow automation.

**Prodigy Health Supplier** is a national distributor of specialty pharmaceuticals including products such as plasma derivatives, recombinant protein therapies and other high-touch or sensitive therapies.

> We needed our system to support our unique inventory tracking and reporting requirements in relation to nationwide locations and customer utilization of those assets. Gimbal Logic has worked to understand the differentiating points of our business strategy AND our system requirements. The outcome has been an elegant and intuitive system for our specific needs. In addition to designing customizations that fit our business like a glove, Gimbal Logic has also identified opportunities to achieve our objectives without extensive customization, thereby keeping our costs down, and allowing us to make the best decision to fit our long term goals.

<sup>&</sup>lt;sup>1</sup>https://healthcare.globaldata.com/media-center/press-releases/ pharmaceuticals/hemophilia-a-and-b-treatment-market-value-willreach-63-billion-by-2024-says-globaldata

<sup>&</sup>lt;sup>1</sup>https://globenewswire.com/news-release/2016/04/13/828498/0/ en/Global-Hemophilia-Market-TYPE-Hemophilia-A-Hemophilia-B-Hemophilia-C-With-increasing-sophistication-and-modernization-of-technology-demand-for-advanced-treatment-leading-themarket.html