



## CASE STUDY

ONE BIOTECHNOLOGY COMPANY'S  
SEARCH FOR SUCCESS WITH A  
3PL PARTNER

## > THE COMPANY

Dedicated to finding new treatments for life threatening diseases, ViaCord specializes in the collection and preservation of umbilical cord blood stem cells.

This biotechnology company and subsidiary of PerkinElmer offers expectant parents products to help them preserve their baby's umbilical cord blood at the time of birth for possible future medical use.

Cord blood banking is the collection and storage of the stem cells found in a newborn's umbilical cord. To collect the cord blood, ViaCord sends each expectant mother who contracts for the service a cord blood collection kit; each one containing more than five lot and expiration date controlled items. Today, cord blood stem cells have been successfully used in the treatment of over 40 life-threatening diseases.

## > THE ISSUES

ViaCord's business and brand awareness were growing. They were confident with their product offering, yet ViaCord was very dissatisfied with their supply chain vendor. They were concerned with its performance and ability to grow with them. ViaCord knew what kind of 3PL partner it both wanted and needed in order to succeed and grow their kit program, yet they had limited, if any, confidence in their current supply chain vendor.

ViaCord cited:

- Poor communication between the vendor and ViaCord
- Lack of IT support at their vendor to allow communications directly between their ERP systems
- Lack of flexibility and ability to react to ViaCord's need for distribution of time-sensitive materials to expectant parents
- Unsatisfactory inventory management
- Ineffective monitoring and tracking
- Inability to coordinate reverse logistics
- Lack of metrics



PICTURED ABOVE: A look inside Allied's access controlled white room where an employee assembles a cord blood kit.

## > THE ANALYSIS

ViaCord assigned a team consisting of key people from both their customer service and purchasing departments to find a partner that could address their concerns. **The Allied Group** was one of ten companies called in to study the issues, hear ViaCord's concerns, and then make recommendations.

**The Allied Group** analyzed ViaCord's current processes by interviewing employees from all areas of the company including: sales, customer service, marketing, IT, purchasing, and Quality.

In addition to ViaCord's concerns, **The Allied Group** also learned that:

- Numerous requests from ViaCord of the vendor to make changes were not completed due to the vendor's inadequate systems and inability to respond quickly to requests
- Incomplete cord blood collection kits were being shipped to expectant parents resulting in extremely dissatisfied and frustrated customers who were unable to complete the cord blood procedure
- The vendor would not fill orders that came into them after 2:00 PM which meant that the kit request had to be rerouted to and fulfilled by ViaCord's sales department
- ViaCord did not have a good handle on, yet knew they needed better control of, the amount of money they were spending on freight charges

## > THE SOLUTIONS

Based on its findings, **The Allied Group** made recommendations that ViaCord has implemented, developed and enabled. These include:

- A proprietary process to assemble the kits to ensure that 100% of the kits have the proper contents
- A reverse feed of information from Allied ERP system back to ViaCord's ERP system providing them with all the critical information they need such as tracking numbers, kit and lot numbers, and inventory
- An automated process so that kits could come in as late as 4:30 PM and express kits could still go out the same day eliminating any additional cost or hassle in shipping emergency kits



- Access to The Allied Group's Virtual Office allowing ViaCord to communicate with a web-based solution that provides 24/7 access to Allied's inventory system. As a result, ViaCord now has an easy-to-use and understand system which allows them maximum information and maximum efficiency. Authorized ViaCord users can now do the following via a secure web portal at any time, from anywhere in the world:
  - > Place customer orders
  - > Review inventory levels
  - > Examine usage trends
  - > Designate who has the ability to access and view information
- Access to The Allied Group's Warehouse Management System, Radio Beacon, allowing ViaCord the ability to control their own inventory and have the most current and accurate count
- An improved process at a lower cost—Due to the automation Allied applied to its assembly and shipping process, its costs were lower than all of the other vendors being considered
- A reverse logistics process that allows for lot and expiration date control on returned kits

"The Allied Group's decision to pursue ISO Certification proved to us that they were committed to incorporating a standard that is the hallmark of high quality and to supporting our business. All things being equal between vendors, we would lean toward a company that was ISO certified. It makes the decision a lot easier when the vendor we are considering is ISO compliant; this plays a large role in our forming an early opinion of that company. We were especially impressed with the amount of time and energy Allied invested in learning about and understanding our unique requirements as well as what we needed and expected from a vendor. We are very fortunate and appreciate the collaborative relationship we have with Allied which is based on **mutual respect, confidence and trust.**"

Karen Nichols  
VP, Regulatory Affairs and Quality Systems  
ViaCord LLC; subsidiary of PerkinElmer

**VIACORD** | Cord Blood Banking  
+ Research™

**THE Allied GROUP**  
Implementing Marketing & Fulfillment Programs.

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## RESULTS

The Allied Group not only convinced ViaCord that they had the capacity but then chose to further invest in the infrastructure to meet and exceed the client's needs, expectations and anticipated growth.

The Allied Group was chosen as a result of its ability to offer a turn-key process that allowed for full ERP integration combined with a proprietary assembly process in a white room environment that ensured lot and date control.

In addition, Allied provided ViaCord real-time information on their ERP system including the status of the kits and access to inventory information 24/7.

As ViaCord's supply chain partner, The Allied Group is exclusively responsible for the coordination of all outgoing kits which consistently arrive complete and on time to the expectant parents.