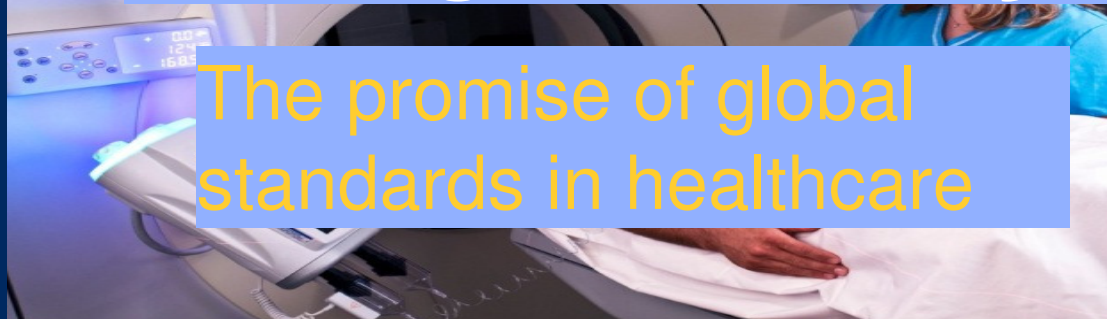




Strength in unity:



The promise of global standards in healthcare



October 2012

In the news



“Fake pharmaceuticals: Bad medicine”

--*Economist*, October 13, 2012

“U.S. has drug recall problem”

--*ABC News*, June 4, 2012

“17,000 die from medical errors”

--*Deutsches Arzteblatt International*, March 5, 2010

“Medical error is expensive for life”

--*In2EastAfrica*, January 22, 2012

Opportunities for impact

- 1** Reducing medication errors
- 2** Improving recall efficiency and effectiveness
- 3** Protecting patients from counterfeit products
- 4** Reducing inventory assets and associated costs
- 5** Reducing product waste due to obsolescence
- 6** Reducing data management cost
- 7** Improving transaction accuracy

Value at stake

**\$40-100
Billion
in P&L**

**25,000
lives**

**130 million
recalled units**

**\$60 Billion
in Capital**

**700,000
disabilities**

Not a “Zero Sum” game

10-year Return on investment



Manufacturers

4-25 X



**Wholesalers
and
distributors**

10-15 X



**Retail
Pharmacies**

3 X



Hospitals

3-20 X

Multiple standards put benefits at risk

Higher costs

Higher risks

Slower adoption



What we heard from you



““ Supply chain data standards will greatly improve healthcare safety and efficiency ””

““ We’re seeing dramatic increases in recalls [but not] improvement in recall processes ””

““ It is a fantastic amount of work to scrub data so we can connect the dots...it is diabolical ””

““ In the developing world, standards will enable things that are otherwise impossible ””

““ Trading partners [must] let go of their competitive habits and learn to collaborate ””

Strength in unity: Learnings from the Consumer-Retail Industry

- Strong business case
- Senior business leader collaboration
 - Relentless marketing
 - Real benefits
- Win-win opportunities




A potential agenda for industry leaders

- **Collective goals for impact**
- **Priority use cases**
- **Alignment on standards**
- **Timeline and milestones for adoption**
- **Metrics for tracking progress and benefits**
- **Influence and marketing strategies**



Key messages

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- **Healthcare is at a crossroads**
 - **Global standards could help save thousands of lives and billions of dollars every year**
 - **Every part of the healthcare value chain could benefit**
 - **Multiple standards would diminish benefits**
 - **Senior leaders would have to collaborate**

A new world



“Counterfeiters out of business”

“Recalled drugs and devices immediately eliminated from use”

“Healthcare industry saves millions through end-to-end supply chain collaboration”

“Short-supply medical products routed to highest-need patients”

“Medication errors virtually eliminated through bedside scanning”

The patient as beneficiary



1. Right patient
2. Right medication or product
3. Right dose or usage
4. Right time
5. Right route

