



Case Study

How SCI Helped Launch Cepheid's Direct-to-Consumer Healthcare Operations in Canada



About Cepheid

Cepheid Canada is a division of the global health sciences company, Danaher. As a world leader in diagnostic tests and test systems, Cepheid helps hospitals, clinics and long-term care facilities save lives with fast, accurate tests to diagnose COVID-19, influenza, tuberculosis, and other life-threatening infections.

Scaling Fast in a New Market

As part of the company's strategy to shift sales from a distributor model to a direct-to-customer approach, Cepheid planned to launch its Canadian operations in Fall of 2021. To get into the market quickly with its COVID-19 test, Cepheid needed a healthcare logistics partner to localize their Canadian inventory in country, support their coast-to-coast distribution requirements, and meet complex Health Canada compliance regulations.

In the Spring of 2021, the team began its search for a 3PL partner with a North American footprint and extensive supply chain compliance experience

in the healthcare sector. "Our top priority is always serving our patients. We knew we needed a logistics partner who shared that commitment and had the experience and expertise to execute," recalls Tom Healy, Global Director of Strategy, Technology and Asset Management at Cepheid.

Ready to Go in Record Time

The company was impressed with SCI's end-to-end healthcare specific 3PL services, including GMP-compliant warehouses, pick, pack and ship services and sophisticated inventory control. In addition, SCI's experience carefully handling healthcare related products was a big plus.

"Cepheid and SCI worked together to deliver a Direct to Patient Supply Chain Solution and executed a flawless implementation in a very short development cycle."

- Tom Healy, Global Director of Strategy, Technology and Asset Management, Cepheid

Cepheid also needed a 3PL partner that could support the repackaging and labelling of products as well as shifting customer requirements during critical infection outbreaks. SCI's experience with managing medical devices and their adherence to supply chain compliance requirements demonstrated they were up to the task. SCI also had recent experience managing critical personal protective equipment and diagnostic devices supply chain compliance for both the Canadian government and a large social services organization during the COVID-19 pandemic.

SCI offered an experienced project team and proven processes to support the complex EDI implementation and back-end integration with Cepheid's ERP system. "SCI not only understood our business but helped us navigate local requirements and had the warehouse solution and IT capable systems ready to go two weeks ahead of schedule," recalls Prasanna Havinal Global ERP Manager for Cepheid.

Supporting Explosive Growth

In late 2021, demand for Cepheid's diagnostic kits exploded, and SCI's operations were immediately mobilized to scale quickly and meet the unforeseen order volumes.

"We also can confirm in many cases that SCI's ability to execute warehouse services for the shipment of COVID-19 test kits provided the critical diagnosis required to save patients. SCI should be very proud that the solution they have put in place has made a real difference within the Canadian market."

- Tom Healy, Global Director of Strategy, Technology and Asset Management, Cepheid

As a new business in Canada, Cepheid staff depended on SCI to help it confront start-up challenges with flexible support. For example, global supply chain conditions meant a shifting mix of inbound parcel and pallet shipments, while outbound shipping windows were changing by the hour and a large pending Canadian Government contract was being booked for COVID – 19 test kits.

In addition to managing the fluid logistics situation, the SCI operations team built and integrated a custom performance management solution that let Cepheid's supply chain and executive teams manage critical performance metrics in real time.

"Cepheid was very clear about their needs and worked side by side with our team to find new ways to continuously improve processes", remembers Peter Tostevin, Vice President of SCI's healthcare division. "They constantly challenged our team to align with their mission of finding 'a better way' to get these important products to end users."

Teaming Up for Success

Thanks to a smooth implementation, Cepheid was able to meet the growing demand for its COVID-19 tests and other diagnostic products. Another key success factor was the strong relationships between SCI's IT, account management, operations and executive teams and their counterparts at Cepheid.

These relationships were crucial for helping the company navigate Health Canada compliance requirements and to continuously streamline processes while keeping the project on track.

"We were racing against time to get our solutions into the hands of healthcare workers so they could keep Canadian patients safe." Recalls Tom Healy Global Director of Strategy, Technology and Asset Management at Cepheid. "The SCI healthcare logistics team was responsive and flexible and supported us throughout this incredibly successful operational launch."

To learn more about how we can help you face tough logistics challenges, visit www.sci.ca or call 1-866-773-7735.