



ALTERNATIVE PRODUCT DISTRIBUTION MODEL: WHERE AGILITY MEETS PROFITABILITY

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"Never be complacent about the current steps; don't agree and follow the status quo. Be determined that you are making an indelible impact with great change."

- Israelmore Ayivor, Author

As we watched the first patients receive their COVID-19 vaccine, the power of medicine rippled around the globe; the end of the pandemic was finally in sight. The vaccine isn't merely preventing an infectious disease in those who receive it or those they encounter; it's defying the virus's disastrous course of social and economic downturn. The world is experiencing firsthand how access to medicine impacts all lives – literally saving millions of people – and influences the well-being of our entire ecosystem. It's one thing to bring an innovative product to market – it's another to create points of access for patients and providers that are novel and highly strategic.

As a pharmaceutical manufacturer, you're in a league of your own. Developing and distributing innovative, life-altering therapies to patients is no small feat, and it should certainly not be complacent to the status quo of an outdated, one-size-fits-all model. As you begin to develop a new access strategy or determine how to optimize an existing one, challenge yourself to explore how your product distribution model can benefit from:



Visibility into all stages of product movement, inventory and transportation

Agile and independent channel partner relationships





Comprehensive distribution, logistics and warehousing

Supply chain data analysis and actionable insights



You should also consider how current market dynamics – such as shifting sites of care, complex reimbursement models and patient-provider engagement – affect how you launch, scale and grow both your products and your business. As the industry evolves with expanded needs and requirements, manufacturers now require an agile, innovative distribution model with integrated services. In my 30+ years of experience in life sciences channel management, I've found that the manufacturers who develop secure and sustainable distribution models integrate three key elements:

1. LEAN DISTRIBUTION

Many manufacturers involuntarily commit to convoluted, costly distribution models that often lack the flexibility needed to increase efficiency, maximize investments and minimize risk on a product-by-product basis. Heightened pressures to get therapies to patients faster shouldn't equate to cumbersome and expensive plans. When optimized properly, a lean supply chain solution effectively:

- Utilizes a single client-centric supply chain partner with carrier neutrality.
- Provides visibility into all stages of product movement, inventory and transportation.
- Delivers therapies wherever patients need it residences, pharmacies, hospitals, clinics, etc.
- Provides customized temperature-controlled environments in both storage and transportation solutions.
- Ensures on-time, accurate delivery with transparent, real-time tracking of product movement.
- Safeguards its operations to minimize risk and ensure product authenticity and integrity.

EVERSANA recently aided a pharma manufacturer in landing a large government contract. The contract required the manufacturer to deliver a high volume of their antibiotic within a very narrow window across multiple geographies. EVERSANA provided coordinated logistic services, leveraging their carrier network to meet the contract

requirements and deliver the product within 24 hours

of the first order. By relying on EVERSANA's expertise in strategic planning and supply chain management, the client saw a 40% increase in sales of that product due to their ability to meet the government execution requirements.

2. CENTRALIZED FINANCIAL SERVICES

An agile distribution model can also ensure ongoing financial stability from the start. Implementing secure order and invoicing operations and processes for when, where and how a product is shipped is key to effectively managing your sales. Your customers expect an elegant and easy way to acquire your product - and a partner with experience and scale can help. At EVERSANA, we work directly with manufacturers to help them optimize order to cash operations through our scalable customer service team while preventing revenue leakage that can occur when managing account receivables. It's been said, "Every penny should have a place," and having effective revenue management systems for contract chargebacks, grossto-net calculations and government pricing is essential to plan, monitor and track all the complexity with financial consideration for product sales. In doing so, we can provide deep insight, transparency and analysis into the entire financial aspect of your product sales. When your channel services are fully integrated, manufacturers can more intentionally develop product sales and distribution plans that directly align with their commercial strategies.

3. CLIENT-CENTRIC CHANNEL SERVICES

Data is king. With the traditional model of working with the Big 3 wholesalers, manufacturers lose control over whom they are selling to. If you don't know who is buying your product, how can you influence them in order to increase your opportunity? If you knew that vital information, it would impact your commercial strategy in ways you may not currently understand or appreciate. Over the last few years, new sites of care emerged in clinics, Veteran Affairs offices and even patient homes. When manufacturers cannot directly connect with these key customers, they are missing out on significant growth opportunities. By fostering a direct relationship with each end customer, manufacturers regain control of their brand and their customer experience. What's more, you hold the data that informs the state of your business and your next move. At EVERSANA, we built a

comprehensive, full-service eCommerce platform to solve for this gap – without involving other intermediaries, such as wholesalers, specialty distributors and other middle players in the supply chain.

Embracing Patient Centricity with Direct-to-Customer Distribution

According to a recent study from Health
Strategies Insights by EVERSANA, **35%- 45% of pipeline drugs** are infusions
and injectables that will require nursing
services, patient education, cold-chain
solutions and administration sites. Many of

these emerging manufacturers are looking for the flexibility of direct-to-patient distribution to support their therapy model. New strategies and solutions will become imperative to ensuring all patients, providers and manufacturers are seamlessly connected to deliver a safe and effective product in an accurate and timely manner.

EVERSANA previously helped a global biopharmaceutical company deliver a new injectable therapy indicated to treat a devastating, ultra-rare disease. EVERSANA's experienced supply chain team developed and deployed an Urgent Access Program comprising a configurable system of storage facilities with cold-chain capabilities. Patients anywhere in the contiguous United States now receive their life-saving therapy in less than eight hours, 24/7, 365 days a year. This solution has resulted in over 1,000 patient lives saved to date.

Supply chain solutions can be seamless and more direct rather than a patchwork of partners that have misaligned objectives. In fact, a fragmented process is lessening a manufacturer's ability to deliver efficiencies to customers, more complex than is necessary and eventually hurting their bottom line. To create an agile business model with integrated distribution services, team up with a single, independent partner, such as EVERSANA, dedicated to investing in the facilities, technologies and processes to meet the growing, complex distribution needs for novel, branded and cell and gene therapies. Not only will this model ensure your products are upheld to the highest level of industry standards, but a fully integrated commercial services platform will be equipped to meet any patient support, field force, compliance and access challenge. At EVERSANA, disrupting the current status quo means challenging assumptions to ensure we get the right product to the right patient at the right time.

About EVERSANA™



