

LogiMove drives results through Operational Efficiency

Industry: Healthcare Logistics

Company: Kinetic Concepts Inc. (KCI) an Acelity company

Context: Around 100,000 times a year, human-health related incidents happen in Germany. As a result, a KCI product is urgently needed in one of the 3,000 hospitals within 4 hours. LogiMove has built an IT platform to deliver medical devices resulting in reduction of delivery time by 25% and therefore saving lives.

Challenge: In 2012 KCI found itself with an oversized logistics infrastructure and faced competition due to the expiration of their patented technology. In Germany, KCI operated 17 service centers from which technicians and sales people took devices to the hospitals and returned them after usage. This inefficient model used highly-skilled employees to carry out repetitive paper-based delivery, returns and cleaning of medical devices.

Business Benefits:

↓ 12%
Number of
standby deliveries

Standby deliveries are the replenishment deliveries for a hospital that has high value medical devices of KCI as consignment stock. An automated model was implemented where a driver based on his/her location in relation with a specific hospital was routed to refill this stock. This improvement in efficiency led to increased device availability and a 12% lower number of standby deliveries to hospitals.

↓ 50%
Number of service
centers

Implementation of a decentralized infrastructure supported by an end to end IT integration between Fiege (logistics contractor) and KCI-equipped hospitals. This resulted in improvements in vendor-managed inventory, automated invoicing and flexible delivery mechanism. All of these reduced dependence on service centers.

↓ 55%
Reduced training time
of a driver/dispatcher

This specially developed IT solution has an easy-to-use mobile app interface which does not require a highly qualified worker to execute tasks. The ease of usability allows low-skilled labor to be hired, and deployed quickly resulting in significant savings in costs. At the same time training times dramatically decreased by 55% from 4 weeks to 2 weeks.

Technical Success:

- Management Solution for end-to-end lifecycle of rental Medical Devices, from order entry to return and quality assurance after use.
- Generation of a higher availability of products in the hospitals by creating a real-time consignment stock inventory
- An emergency task delivery mechanism assuring timely delivery to hospitals within four hours, available 24/7, 365 days a year
- Overview of driver's real-time geographic position and safety stock, used by the dispatching team to push order changes to the mobile devices of drivers during the routes
- Monitoring every single serial number and its status in the fleet to create a transparent and decentralized operation



Special Customer Requirements:

The processes and solutions were developed to the following specifications:

- Guaranteed delivery times of under four hours for emergencies (pushing for a decentralized approach)
- Optimized unit turnaround as device availability is limited
- Continuous cost optimizations
- Creating a solution that allows for the geographic location of hospitals to be factored in as there is an uneven distribution of hospitals as hotspots exist

Milestones:

- Go-Live 12 weeks after Kick-off
- 15,000 medical items under management
- 3,000 local consignment stores under management
- 200+ delivery personnel centrally managed
- 300+ deliveries and pickups each day

Clients—



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Germany's leading contract logistics provider



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