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# Saudi Distributor, TraceLink Partner to Build Integrated, End-to-End Supply Chain



*Regulatory update: The Saudi government has notified registered users of the government's drug track and trace system (RSD) that the deadline for aggregation of medicines is now August 20, 2020.*

Whether you are a multinational pharmaceutical brand or an innovative regional distributor like Saudi International Trading Company (SITCO Pharma), staying competitive in the global marketplace will require new strategies and technologies for connecting with partners and customers. SITCO Pharma saw TraceLink as a partner with the global experience—and proven platform—to digitize its supply chain and help them become the leading distributor of vital pharmaceutical products in the Kingdom of Saudi Arabia.

SITCO Pharma serves all of Saudi Arabia's health sectors and distributes products for a number of major global companies—including GSK, Bayer, AstraZeneca, and Eli Lilly—as well as local manufacturers. It is also one of the country's largest national distributors of critical vaccines and refrigerated medications—including insulin and hormone therapy treatments—which require specialized transportation and storage.

"SITCO Pharma is a leading distributor of pharmaceutical products in Saudi Arabia

and a partner for most of the world's brand manufacturers of medicine," says Mohammed Al Otaibi, Group CIO for Saudi Chemical Company, the parent company of SITCO Pharma. "We are licensed by the Saudi Food and Drug Authority (SFDA) and our customers include the public sector of health and medical services, including the Saudi Ministry of Health and its hospitals, as well as private hospitals, clinics, and pharmacies."

"Today, we are focused on the efficiency of our operations," notes Al Otaibi, "But our goal is to be the number one integrated pharmaceutical distributor in Saudi Arabia, with world-class technology to provide quality services and products to our partners."

### **Leveraging a proven serialization partner and global supply network**

SITCO Pharma's portfolio of end-to-end services include procurement, warehousing and transportation, and logistics to ensure product availability and on-time, in-full delivery throughout the kingdom. A key part of their digital strategy is to use TraceLink's Serialized Operations Manager and Smart Inventory Tracker to leverage serialized product information across its purchasing, storage, and delivery operations. At the same time, SITCO Pharma is relying on the breadth of the TraceLink network to simplify partner onboarding and exchange serialized product data with every trade partner in its supply chain.

"We expect TraceLink will help us achieve our goals by making it easier to connect with our customers and suppliers," says Al Otaibi. "We are now in the position of asking our principal suppliers to be part of the TraceLink network. In fact, some are already on the network."

### **Turning reporting and aggregation into a competitive advantage**

On March 31, 2020, SFDA will begin full enforcement of its government reporting requirements under the country's track-and-trace regulations. In addition, product aggregation requirements are expected to have a significant impact on warehouse

operations throughout the country. Companies that are not ready—or that rely on manual processes—risk government sanctions, operational delays, and business disruption.

“SITCO Pharma started early,” says Al Otaibi. “With TraceLink, we did not have to create the wheel from scratch—we have a running system. Now we are in a good position. We will be one hundred percent ready once the SFDA applies the regulations.”

In addition to meeting SFDA reporting requirements using TraceLink’s Saudi Compliance solution, Al Otaibi cites TraceLink’s serialization experience and Smart Inventory Tracker warehouse solution in allowing SITCO Pharma to take advantage of aggregation to increase operational efficiency.

“Without aggregation,” he notes, “it’s difficult to process each product one by one. Aggregation will help our team work faster and more efficiently. For example, if we put 1,000 items in one shipping container, aggregation lets us read all 1,000 items together with a single scan. It’s a very important step for SITCO Pharma that we can utilize this technology.”

## **Building a foundation for technology leadership and growth**

In choosing TraceLink as its serialization and compliance partner, SITCO Pharma focused on the company’s proven solutions and global experience—and how it supported the company’s future technology vision.

“TraceLink had the global experience in different markets, operational knowledge, and focus on pharmaceutical track and trace solutions,” says Al Otaibi. “They were ready to start the project because they know what to do and they have the foundation to build on. Our IT strategy is focusing on digitalization for tracing and linking everything, integrating with our ERP system, and connecting in the cloud. SITCO Pharma and TraceLink are ahead of other competitors. We are transforming for the future.”

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