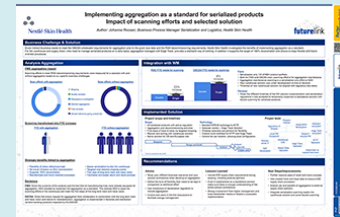




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# Case Study: Nestlé Skin Health | Benefits of Aggregation as a Standard



Facing both DSCSA wholesaler requirements and EU FMD decommissioning requirements, Nestlé Skin Health recognized the benefits of implementing aggregation as a standard business practice. Learn how they use a TraceLink Edge solution to support their aggregation goals, and to lay the foundation for future improvements. Nestlé Skin Health's poster, "Implementing Aggregation as a Standard for Serialized Products," was one of two winners out of 11 featured during FutureLink Barcelona's interactive Poster Sessions.



Nestlé Skin Health

## Implementing aggregation as a standard for serialized products Impact of scanning efforts and selected solution

Author: Johanna Roosen, Business Process Manager Serialization and Logistics, Nestlé Skin Health



### Business Challenge & Solution

Given indirect business needs to meet the DSCSA wholesaler requirements for aggregation prior to the given due date and the FMD decommissioning requirements, Nestlé Skin Health investigated the benefits of implementing aggregation as a standard. For the warehouse and supply chain, who need to manage serialized products on a daily basis, aggregation managed with Edge Track, provides a standard way of working. In addition it supports the target of 100% reconciliation and allows to keep flexible and future oriented processes.

### Analysis Aggregation

#### FMD aggregation impact

Scanning efforts to meet FMD decommissioning requirements were measured for a scenario with and without aggregation based on our specific business challenges



#### Scanning transformed into FTE increase

##### FTE with aggregation



##### FTE without aggregation



#### Strategic benefits linked to aggregation

- Flexibility of share references kept
- No future limitation on SKU rationalization
- Supports 100% reconciliation
- Standardized and future oriented processes
- Eases serialization burden for warehouse
- Targeted and detailed shipping events
- First step of long term track and trace vision
- Facilitates and eases return and recall process

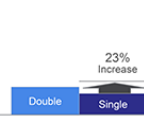
#### Decisions

**FMD:** Given the outcome of the analysis and the fact that all manufacturing lines were already equipped for aggregation, NSH decided to implement full aggregation as a standard. This allowed NSH to ease the scanning efforts in the warehouse and meet the first steps of the long term track and trace vision.

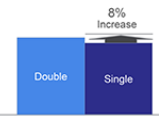
**DSCSA:** Given the known request for aggregation from wholesalers in combination with the long term track and trace vision and desire for standardization, aggregation is implemented in factories and distribution centers handling products impacted by the DSCSA.

### Integration with WM

#### FMD FTE needs for scanning



#### DSCSA FTE needs for scanning



#### Facts

- Serialization only 1/3 of NSH product portfolio
- Both for FMD and DSCSA main scanning effort is for aggregation maintenance
- Aggregation maintenance scanning is a serialization only effort at NSH
- New warehouse solution was under development at time of decision
- Timelines of new warehouse solution not aligned with regulatory due dates

#### Decision

- Given the different timelines of the WH solution implementation and serialization regulations it was accepted to temporarily implement a standalone solution with double scanning for serialized products

### Implemented Solution

#### Project scope and timelines

##### Scope

- All serialized products with active regulation
- Aggregation and decommissioning activities
- First steps of track & trace via targeted shipping
- Rework and sorting with warehouse solution
- Same solution for US and European site

##### Technology

- Standard EPCIS exchange to ATP
- Selected vendor – Edge Track Solution
- Wireless scanners and printers for flexibility
- Custom build interface for ATP and Edge Track
- Control tier per location, allowing local configuration



\*One box represents one month

#### Project team



### Recommendations

#### Advice

- Study your different business scenarios and your solution architecture when deciding on aggregation
- Define the level of flexibility that needs to be kept in comparison to additional effort
- Use momentum of serialization regulation to include aggregation
- Involve end users in the first discussions to facilitate change management

#### Lessons Learned

- Include EZE supply chain requirements during scoping, including external partners
- Even if implemented as a standalone solution make sure there is enough understanding of the entire solution architecture
- Strong involvement from higher management and local stakeholder makes or breaks a successful implementation

#### Next Steps/Improvements

- Further improve ease of recall and return process
- Use created track and trace data to improve EZE supply chain processes
- Extend use and benefits of aggregation to external supply chain partners
- Integrate serialization scanning needs into warehouse solution and avoid double scanning

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## Case Study European Union Falsified Medicines Directive, Serialized Operations Manager Global Track & Trace Manufacturing European Union, United States

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 <p><b>Paul McKenzie</b> Chief Operating Officer CSL Limited</p>	 <p><b>Michael Wittman</b> Supply Chain Subject Matter Expert</p>
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