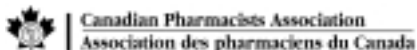


EFFICIENT CONSUMER RESPONSE FOR THE PHARMACY SUPPLY CHAIN



FCPMC · FPACC



SCAN FIRST TIME, EVERY TIME

You'd think there was a fire the way clerks have to wave an item around over the scanner just to get a read. This frustrating experience is a classic example of the kind of non-value-added action that the ECRx guidelines have been designed to eliminate. "We are pleased with the advancements that have occurred in regard to the technology of barcoding," says Frank Kwiczen, Senior Director of Pharmacy for Loblaw Co. East Ltd. and Vice-Chair of CACDS, "But the true advantage can be found in more satisfied customers."

Phase 2 of the ECRx Barcoding Guidelines becomes effective this month and with full compliance, the irritating and time-intensive experience of repetitive scanning attempts, not-to-mention the inevitable manual key punching that follows, will be a thing of the past.

"From the unit to the case to the layer to the pallet, all elements are now married with electronics" says Bryan McKenna of Bristol-Myers Squibb, "and it's a real cost-saver. Improvements in speed and accuracy are measurable and not just at Point-of-Sale."

HOW IN THE WORLD CAN I GET A BARCODE ON THIS?

If space is the final frontier, then small space challenges are from another solar system. Cosmetics, Rx's and even some OTCs sport limited space. There are answers, both interim and long term. Advancements in space-constrained linear symbology are meeting with great success both in terms of validation and the accommodation of additional business information. These solutions will fit into the world-wide composite symbology solution. But we're not there yet.

In the meantime, if you have a small product that cannot accommodate a standard UPC, then you will be granted an exemption certificate and be deemed in compliance with the ECRx guidelines.

HOW SMALL IS TOO SMALL?

If you're not sure whether your product qualifies for exemption, outside verification agencies can advise you. It's a complicated area. Certification agencies are equipped to reconcile government-regulated copy, graphics and labeling with a compliant U.P.C. symbology. A list of outside verification agencies as well as the Small Package Exemption Guidelines can be found at the Electronic Commerce Council of Canada's website: www.eccc.org, or call Stefan Mischenko at the ECCC, 416-510-8039, ext. 2274 and find out if you're too big to be small.

NEXT: Phase 3, December 2000

SCC-14 scannable codes printed on all shipping units and SSCC-18 codes printed on all variable cases and pallets, with verification certificates.

THIS IS ALSO THE TIME FOR EDI

Now that you have a quality barcode, with a certificate of verification, it's time to put that UPC to work in at least two EDI transaction sets. As per the ECRx guidelines, most of you have been piloting your VICS4010-based invoices (810s) and purchase orders (850s) with at least one trading partner. Roll-out plans should be underway. In a recent survey conducted by the ECCC on the opening two sets, topline results show a utilization range of 50% - 95% based on dollar volume at major retailers. "Not all organizations will be compliant by the implementation date of December 1999" says Nigel Wood of the ECCC "but there is significant momentum within the industry."

"There is a tendency to think of ECRx as a big company initiative, but there are all kinds of support and opportunities for the small business owner as well," says Malcolm Seath of Whitehall-Robins Inc. A list of third party organizations with solutions for companies of all sizes is available from the ECCC website, www.eccc.org.

NEXT: Phase 2 May 2000, Master Data Synchronization and Efficient Replenishment

CONTROLLED SUBSTANCES & EDI

One of the areas that the ECRx Steering Committee had to address that had not been covered in grocery's ECR work was the special challenge posed to pharmacy of e-commerce for controlled substances. Regulated by the HPB and the RCMP, these drugs require an audit trail and a monitoring process that help prevent illicit diversion. The security and legal issues apply to all supply chain steps including ordering, returns, transfer and destruction. ECRx has established an ad-hoc committee to work with the Therapeutic Products Program (TPP) in the development of an architectural guide. Recommendations will form part of the guide scheduled for release 1st quarter, 2000.

RETURNED GOODS/UNSALEABLES

In just six months, the ECRx Returned Goods/Unsaleables subcommittee has established an aggressive agenda under the direction of Co-Chairs, Allison Anisef of Medis Health & Pharmaceutical Services Ltd. and Judy Porter of Warner Lambert Canada. "As a first step, we struck a task force to develop Returned Goods/Unsaleables Reverse Logistics charts", says Judy Porter. Presented at a meeting in November, five highly detailed flow charts map out the process for each of retail, wholesale, manufacturer and third party providers. The fifth chart walks through sales rep activities related to returns and unsaleables. "The mapping work will highlight redundant areas, and has already served to reveal priorities for the subcommittee's remaining work," says Judy. "There is tremendous interest in this subject," continues Judy "and we have a group very committed to tangible progress."

According to Doug Thorsley from Wal-Mart who served on the mapping committee, "Our ultimate goal is to reduce the incidence and need for returned goods in the first place." An informal poll of manufacturer CEOs suggests that as much as 30% of sales call time can be spent in the 'morgue' with returns and unsaleables. "I think we'd all like to see that time go to more growth-oriented pursuits," offers Doug.

TAKE PART IN JANUARY 2000 SURVEY

One of the next steps in the RGWP - Returned Goods Work Plan - is the release in January 2000 of a survey to collect experiences in process and costs associated with returned goods/unsaleables.

KPMG has been appointed to ensure confidentiality of the results. A top-line report with aggregate results will be released in Spring 2000. Concurrently, evaluation of other industries, other companies and other countries as well as case studies will help the subcommittee make recommendations without reinventing the wheel. Ensure that your company participates when the survey arrives in January 2000.

HANDS-ON A BIG HIT

The ECRx Steering Committee staged two seminars in Toronto and Montreal to communicate guidelines and update progress. Malcom Seath of Whitehall-Robins Inc. and Marc Dufresne of Medis Health & Pharmaceutical Services Inc. served as moderators. Gerry McDole of AstraZeneca, Jack Kay of Apotex Inc., Frank Ferlino of Cosmair, Doug Thorsley of Wal-Mart and François Coutu of Jean Coutu helped illuminate ECRx implementation and integration successes by presenting case studies from their own companies. Follow-up sessions provided an interactive learning environment that got down to the "nuts and bolts" of barcoding and EDI. Thanks to everyone who participated and helped organize these successful events.

ECCnet

As critical mass builds in EDI implementation, so too do the savings. Speed and accuracy are cornerstone to EDI, while integrity of data is fundamental to electronic commerce. ECCnet has been developed as an on-line industry catalogue to ensure electronic data integrity by providing a single, standardized record of product details and other information for electronic commerce communication. The ECRx Product Catalogue Committee is working with the ECCC on Phase 2 of ECCnet. Manufacturers will no longer need to populate a variety of sources at significant cost, but rather one, standard industry catalogue accessible by all trading partners. A demonstration of ECCnet and how it can support your e-business is available from Susie Groombridge at the ECCC. 416-510-8039, ext. 2270.

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