Working Group Reveals More On Sea-Freight Program Going Live In 6 Days

Poseidon, a global and fully integrated Pharma Ocean Freight program, is being rolled out at the 17th IQPC Temperature Controlled Logistics Conference in London on 1st February 2018.

Poseidon is a sea-freight model predicated around an intimate interconnection of the entire pharma-logistics supply chain in order to better ensure the safe and secure transportation of health-giving and life-saving pharmaceutical products.

"Poseidon has been conceived to address long-standing quality, safety and service issues associated with the long-haul transportation of pharmaceutical products", says collaboration specialist Alan Kennedy who has been closely involved in program development. "It is out to challenge some of the ingrained beliefs and out-moded practices that plague the current pharma-freight paradigm."

'Disastrous' Logistics Losses

According to a recent estimate the pharma business "loses upwards of $35bn per annum" solely as a result of temperature excursions and "30% of scrapped pharmaceutical can be attributed to logistics issues alone".*

For any business these losses would be unacceptable, but for the quality-conscious and safety-driven pharma sector they are nothing short of disastrous. It is a scale of detriment that Kennedy believes will escalate as the trend towards biologic medicines gains momentum. "Despite intensifying regulatory interventions and the appearance of industry-led GDP initiatives, pharma-freight quality issues, such as the incidence of dangerous temperature excursions, are not receding," he stresses. "With the pharma industry looking to reduce costs whilst meeting growing regulatory pressures and safety concerns, a new approach to product transportation is essential."

Kennedy further maintains that the counter-productive dichotomy between the pharma and logistics sectors needs to be addressed resolutely if the sector is not going to succumb to the growing threat of external disruption. "Persistent poor quality and sub-standard performance issues continue to dog the long-haul transportation of pharmaceutical products", he explains. "Despite the huge attention being paid to upgrading the pharma-logistics process, most of the current 'improvement' initiatives in the pharma-logistics space are piecemeal and merely papering over the cracks. The Poseidon model provides a structured platform on which the industry can work in concert to disrupt itself before it is abruptly and adversely disrupted by uncontrollable external forces."

Partnership

Poseidon has been methodically built around TEAM-UP collaborative principles and practices. The non-profit pharma TEAM-UP initiative has systematically adopted and adapted supply-chain best-practice from those industries that have been successfully applying strategic collaborative methodologies over the past two decades to drive efficiencies, reduce costs and improve outcomes. This inherent collaborative bias of the Poseidon network means that the program is being developed and continuously improved by an intimately aligned network of strategic Supply Partners and 'Shipper Champions'.



Shippers
Pharmaceutical shippers form the backbone to the program and are actively involved in program design and development. Says Poseidon's Mark Edwards: "The Poseidon program has been conceived as a risk-managed, fully GDP compliant, comprehensively-insured freight platform for pharma. Its smart consolidation of all the different freight players and elements makes it a very attractive proposition for pharma shippers."

Supply Partners
Poseidon logistics, product and service partners are hand-picked and rigorously vetted prior to signing the Poseidon Partnering Agreement which tightly commits them to the program and governs their behaviour and performance. Some of the supplier companies already on board the Poseidon initiative include Maersk, H. Essers, Marsh, DuPont, Pelican Biothermal, Logtag Recorders and Controlant.

Network neutrality
The Poseidon network of shippers and suppliers is arranged around a central neutral body that facilitates the commercial and relational interactions and manages day-to-day operations. The network communicates through a secure, cloud collaboration hub with strategic management and governance coming from a Poseidon Management Group comprising senior representatives from all the network participants.

Insurance
The Poseidon program is being backed by a wide-ranging Poseidon insurance framework specially devised to provide satisfactory cover for all pharma shipment risks and values.

"Poseidon insurance seeks to significantly improve the level of cover while, at the same time, simplifying and demystifying the marine protection process", says Edwards. "Viable on account of the Poseidon collaborative approach to risk mitigation, the superior insurance comes as standard in a range of variants to suit differing risk profiles".

Small Consignment Service
A key feature of the Poseidon program will be its ability to handle small pharma shipments. Its LCL (Less than Container Load) service will operate alongside its full container service and open up ocean freight to small and medium-sized pharma companies. "Nearly 50% of all pharma production emanates from smaller producers that rarely ship the volumes required to fill entire shipping containers," says Edwards. "For these companies Poseidon 'opens the hatch' to ocean transportation and the hugely advantageous freight rates on offer. Larger companies can use the service to spread risk and maintain viability on low-volume lanes."

Product Protection
The Poseidon operational system offers an unrivalled level of physical and environmental protection for pharma products.

Refrigerated 'smart reefers' from Maersk or Klinge are being used for all shipments in conjunction with high-performance, ocean-qualified, packaging solutions from quality-assessed, GDP-compliant, Poseidon Supply Partners. This means that all cargo benefits from both active (container) and passive (packaging) protection. "The shipper gets 'belts and braces ' product protection with all Poseidon service tiers", states Edwards.

"Using multi-party design input we have systematically removed the maximum amount of risk possible. We have combined high quality equipment with fault-tolerant designs and dual-redundancy components to create what we believe is the most reliable and effective pharma protection system currently available. High performance services will be available for all classes of pharma merchandise from highly stable room-temperature products to highly sensitive large-molecule drugs and cryogenic materials."

Monitoring and visibility
Continuous cargo visibility during transportation is an integral feature of the Poseidon shipping process. All the smart reefers are fitted with Remote Container Management which monitors the temperature and humidity in

the container in real-time, allows alarms to be dealt with remotely in a timely manner, provides uninterrupted shipment geo-positioning and facilitates faster pre-trip inspections. At the individual pallet and package level, approved close-proximity data logger devices are used to monitor the pharma contents for a range of environmental factors such as shock, light, pH and pressure.

Environmental Benefits

The enormous environmental benefits of using ocean freight for long-haul transportation are well known. For example, conservative estimates show that 250 tonnes of pharma by sea emits the same CO2 as just 1 tonne of pharma shipped by air. A key objective of the Poseidon program is to harness the power of the network to augment these carbon-footprint advantages by designing a turn-key service built around sustainable processes and eco-friendly products.

In Conclusion

We leave the last words to Alan Kennedy: “There is much talk and passion surrounding the idea of supply chain integration and collaboration but, until now, no-one, in the pharma-logistics space at least, has succeeded in translating their aspirations into a viable, scalable, transferable and sustainable business model that is all-inclusive, equitably governed and market focused.

“The ‘Poseidon Adventure’ that is about to commence rewrites the rules around pharma sea freight and the logistics supply chain. The organisations which are supporting this initiative deserve huge credit for putting their faith and energy behind this momentous collaboration initiative which has the potential to remedy many of the ills now facing the pharma sector. Hopefully the Poseidon model will be a stimulus and a template for others in their quest for more efficient, more competitive and more concerted supply chains that are fit for purpose in today’s rapidly changing environment.”

The Poseidon pharma ocean freight is being introduced to the market at the Ocean Freight Focus Day of the IQPC Temperature Controlled Logistics symposium in London on February 1st 2018.