



UTI[™]
Pharma

Addicted to healthcare



UTITM

Pharma

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Making a difference

Delivering healthcare to everyone

Zandile Khumalo gets up before sunrise on the first Monday of every month. She prepares breakfast for her family and then hurries off to the taxi rank. It's an hour's walk and she needs to get there in good time to catch the shuttle to her nearest clinic.

Zandile needs her medicine for a long standing health condition, and she has to get medicine for her ageing, sickly father. It's an important monthly ritual, the journey to the clinic, and Zandile does it knowing her medicines are there, ready and waiting.

In Johannesburg, Mary Smith has also got up early. Her young daughter Rebecca has been up all night with a fever, and Mary has managed to get an emergency appointment with her doctor before his packed schedule begins. After a consultation, Mary hurries to her pharmacy

with the doctor's script, and within hours of taking her medicine, Rebecca is settling.

These "healthcare moments of truth" are played out by hundreds of thousands of people around the country, every day. And no matter where or who they are, they share a common need: to access healthcare to make them well, and keep them well.

And this is what UTi Pharma is committed to: making sure people everywhere have the medicine and healthcare products they need to keep them well. UTi Pharma doesn't make medicine but its systems, technology, a global and local web of pharma grade warehouse facilities, fleet of vehicles, and passionate people make sure that patients always get the original quality medicine they need, when and where they need it.

*UTi Pharma has developed its business hand-in-hand with many of today's leading pharmaceutical companies, providing them – and millions of patients like Zandile Khumalo and Mary Smith – with value-for-money, accessible and reliable healthcare. **

** Names are fictional*



So, who are we?

By pharmacy, for pharmacy

UTi Pharma is a 21st century response to challenging southern African healthcare needs. More people need affordable medicine, in more places, more often. Wellness is a right, and this is as true for those who live in townships and distant rural settlements as those who live in suburbia.

The solution to meeting the needs of these multiple markets, from manufacturer to dispenser to patient, is in UTi Pharma, which fuses the global reach and heritage of its parent company UTi Worldwide Inc, the innovation of its logistics business and the national footprint of its fleet operations.

UTi Pharma's vision is to create global supply chains that extend Good Distribution Practice and Good Manufacturing Practice from production through the distribution channel to pharmacies and patients ... all under the virtual control and management of our manufacturers (clients).

We live in a world where geography and time have become one, where manufacturers need transparency to control the quality of their product from production to retail, where dispensers (customers) depend on product being available when needed, and where patients get the "real thing" – original source medicine, guaranteed.

Already, there are UTi Pharma operations in Europe laying the foundations of a global pharmaceutical distribution network that recognises the market's demands and will change the way pharma distribution takes place.





Global reach and heritage...

UTi Pharma was acquired in 2004 by UTi Worldwide Inc, a global leader in integrated supply chain solutions headquartered in the United States.

UTi Worldwide's heritage and global footprint (*19,000 people, 500 offices, 320 cities, 260 logistics centres in 64 countries, and 180 independent agent-owned offices*) gives UTi Pharma the ability to move seamlessly from market to market and the advantage of accessing UTi Worldwide's full suite of services.

They include warehousing, order fulfillment, distribution, contract logistics and quality control; air and ocean freight forwarding and customs brokerage; transportation management and optimisation service and truck brokerage and supply chain management services.

UTi Pharma's evolution is a logical extension of UTi Worldwide's CLIENTasONE strategy, which followed two previous strategic phases.

FirstLeap built a worldwide network of freight forwarding and customs brokerage capabilities, and it was followed by NextLeap, which created global supply chain capabilities that clients wanted.

CLIENTasONE is the logical successor to both FirstLeap and NextLeap, and is adding value to each client by providing world-class services on a standalone basis and solutions in an integrated end to end process.

Local innovation...

While UTi Pharma's evolution is a logical development of UTi Worldwide's strategy, its origins are to be found in the radical innovation of its predecessors, IHD and Kite Logistics, and the courage of four leading healthcare companies who in 1993 wanted a distribution channel that ensured quality and transparency not only for themselves but also for dispensers and patients. And UTi Pharma's direct distribution model gives them just that.

It ensures product integrity...pharmaceutical products are highly sensitive and need specialised cold storage and handling conditions to guarantee treatment efficacy and patient safety. UTi Pharma doesn't own any product, but is responsible for ensuring effective manufacturer control of the distribution process and above all brand integrity.

Direct distribution helps reduce grey market trading. The trade in stolen, counterfeit or expired pharmaceutical products is always a threat to patient safety, and UTi Pharma's validated systems provide a full audit trail to prevent grey market trading.

It also gives the manufacturer direct access to the end dispenser. They, along with the prescriber of the medicine, are the only stakeholders in the distribution chain who interact directly with the patient.

Direct distribution also means manufacturers can leverage economies of scale...and reduce costs of finished goods, warehousing and distribution, which ultimately leads to cost benefits for patients.





Facts and figures

All the better to help you

- South Africa's largest, national direct Pharma distributor
- Largest validated cold chain operator
- More than 1300 people working countrywide
- 25 manufacturer clients (including seven of the world's top ten)
– they include Abbott, z, BD, Boehringer Ingelheim, BMS, Lilly, MSD, Novartis, Pfizer, Roche, Roche Diagnostics, Sanofi-Aventis, Schering-Plough and Wyeth
- Independently validated processes designed for pharmaceutical distribution and IT systems
- Operating in compliance with 900 client SOPs
- 4 850 000 order lines picking 130 000 000 units per year
- Packing and delivery of 5 000 000 parcels per year



What sets us apart?

Addicted to healthcare

UTi Pharma's internal organization is built to meet the demands of its **customer facing strategy**, which itself mirrors the strategic needs of its clients and the segmentation of the Pharma market into clearly defined channels, each of which has its own needs. Empowered customer facing teams - which include sales, call centre, credit support and transport capabilities - are constantly improving service levels as decision making takes place where and when it is needed.

When Zandile Khumalo and Mary Smith buy their medicine, they expect product integrity, availability and affordability. And it's here that UTi Pharma's core differentiation can be found. There is an unrelenting commitment to **quality assurance**, a rigorous compliance with exacting standards set, ultimately, by patients themselves.

Our commitment is evident in every aspect of our business: we adhere to the highest, multinational levels of quality compliance; we have full batch traceability; our standard operating procedures are electronically managed to multinational standards; we are the only distributor with complete ISO 9001 process certification; we have fully qualified cold chain capabilities; we strive for complete inventory management accuracy; and Safety Health & Environment (SHE) is managed to global standards.

UTi Think Green begins with each of us and starts with a small shift in attitude. Reducing waste, recycling, and conserving our precious natural resources are simple ways in which we can all play a part in protecting our planet.

Our quality processes at operational level are mirrored in our corporate governance practices. We are Sarbanne-Oxley (SOX) compliant and

have a BEE certified rating of 3, which means that 110% of clients and customers actual spend with UTi Pharma can be claimed as BEE spend.

The commitment to quality is built on a culture of **innovation** that's shaped around manufacturer, dispenser and patient needs. Healthcare is a basic need for all people, and there is a constant ebb and flow as new challenges emerge and priorities change. UTi Pharma's culture of innovation means we are always searching for better, quicker ways to get medicine to where it is really needed. It means using technology to increase efficiencies and shorten order and delivery times.

Our in-house IT development and support team provides a platform to deliver a market leading service that is integrated into a wide range of host manufacturer systems and connected to third party dispenser systems. And it means being first to market with products and services that constantly redefine the distribution experience for manufacturers and dispensers.

If a commitment to quality and a culture of innovation provide the flavouring, an effective distribution footprint and market reach provide the key ingredients to a **proven end-to-end healthcare distribution service**.

Our global track record is built on the collective experience of pharma warehousing and distribution in many markets, and in South Africa this experience comes to life in the people who work in our distribution centres and drive our vehicles, servicing the full range of healthcare providers: doctor, hospital, public healthcare sector, FMCG, diagnostics, export and veterinary.



What we do

We don't make medicine. But we make sure it's available

What we offer manufacturers

- Client Zone provides manufacturers with a window into their distribution world, through which everyday business can be accessed and controlled, from stock status to credit limits and sales data.
 - Our systems track specific invoice and customer details by province, city, town and suburb, providing data needed to assess or investigate sales trends and patterns.
 - Integrated batch-tracking helps to effectively enable a batch recall if needed.
 - Our inventory control system eliminates waste and maximizes efficiencies. Through an integrated distribution requirements planning system we are able to achieve optimal stock holding levels at our national distribution centres. Minimum stock holding levels are set for each product, and stock movements between centres are carefully managed.
- Based on ordering patterns, we are able to predict out-of-stock dates in advance, and provide notice to manufacturers ahead of time to assist forecasting and planning.
- Customer Zone (previously known as Futurewave). (see page 12)
 - Our logistics services offer a complete order to cash cycle, including finished goods warehousing, order picking and packing and delivery...all driven by sophisticated technology which reduces paper usage and the risk of human error, and intelligent systems which ensure accuracy, consistency and reliability.
 - Debtors management allows the manufacturer to manage their diverse customers base with ease.
 - Bonded warehouse facilities allow manufacturers to use South Africa as a base to service the sub continent with ease.
 - Our Export services manage the full order to cash sales cycle in various currencies to sub-Saharan Africa and the Indian Ocean islands
 - Daily, secure data downloads concerning all product movement over the previous 24 hours, including who received what product, which batch and expiry, at what price/deal and how much was ordered and what quantity was supplied.

What we offer dispensers

Dispensers benefit from a single point of access to a wide range of products, and we make doing business as easy and efficient as possible through our key service interventions:

- Our online or telephonic ordering
 - Order online via Customer Zone, the largest internet-based pharmaceutical ordering system in southern Africa. The system doubles as a powerful business management tool, offering secure access to online purchasing history and providing valuable information for stock management. Customer Zone directly links a dispenser to UTi Pharma's systems, providing instant access to valuable transactional information. UTi Pharma offers all the benefits of Customer Zone at no cost.
 - To take advantage, customers must register as a Customer Zone user.
 - Telephone orders are handled through a single number, 0860 00 04 43.
- Our nationwide customer liaison team visits dispensers daily to help streamline ordering patterns, provide on-site Customer Zone training and ensure effective communication between UTi Pharma and dispensers. In addition, queries are handled through a central number – 0860 00 04 43 – and the customer care team will respond within 90 minutes of a query being raised.
- A 24/7 emergency medication service – via a toll free number, 0800 11 36 16 – provides help in life threatening situations. The service operates off a list of critical products provided by manufacturers, trained staff have access to in house pharmacists to help evaluate every situation, and orders are dispatched as soon as resource and logistics restraints allow.

In addition to efficient customer service, we established the Pharmacy Advisory Forum in 1998 to provide an industry platform to bring UTi Pharma, manufacturers and pharmacists closer together to share ideas and build a mutually beneficial pharma distribution service.

Regular meetings are held nationally and regionally in Johannesburg, Cape Town, Port Elizabeth and Durban, and the Forum gives participating retail pharmacies an opportunity to directly interface with UTi Pharma's operations, make their needs known and discuss projects in progress or under discussion. In addition, participating pharmacists then feedback to other pharmacist in their area. (Please go to Customer Zone at www.utipharma.co.za for more information.)

Among its many initiatives, the Pharmacy Advisory Forum has facilitated the launch of ePharmaC, an online social business community enabling communication and collaboration amongst pharmacists and other role-players in the pharmaceutical supply chain. ePharmaC helps pharmacists deliver better pharmaceutical care to patients by sharing information and debating issues of concern through discussion forums; getting CPDs through CE CENTRE, an online education product; staying abreast of government legislation and healthcare news, and providing pharmacists with easy access to UTi Pharma's full product catalogue via FutureWave, an online ordering system.



ePharmaC



What we offer patients

Simply put, UTi Pharma guarantees original manufacturer product and quality, when and where it's needed. And this means patient safety – so look out for the UTi Pharma sign at your favourite pharmacy!



How we work

Values that bind us

UTi Pharma's business model mirrors the South African government's strategic objectives of providing accessible, affordable and reliable healthcare to all South Africans. We do this by staying true to our values:

Caring

We care about patients, customers and clients, and the society in which we live and work. This culture of caring lives through the highest service standards, a commitment to total customer satisfaction, and the regular independent measurement of both service and customer service levels. And it lives operationally through a pharma quality distribution infrastructure, by adhering to client quality assurance standards and ongoing training of UTi Pharma people to pharma standards.

Integrity

Our relationships with all our stakeholders are built on trust, and ethical integrity is as important to us in our relationship with manufacturers and dispensers as it would be between patient and doctor.

Innovation

We build services around the needs of our clients, customers and their patients, and we are always looking for new and innovative ways to deliver our services.

Quality

We're addicted to doing things right, first time, every time.

Our objectives

We want to maintain our position as South Africa's leading distributor of pharmaceutical products by:

- retaining a leading, ethical position in the market in which we compete;
- continuously improving quality and differentiating services;
- providing exceptional distribution and operational performance that give a guaranteed service to customers; and
- creating a motivated team of employees who focus on quality customer service and continuous education to meet our customers' needs.

Individual responsibility

Ultimately, it's our people who will make the UTi Pharma difference. They're empowered and energised, and they care. Each member of our team is committed to meeting his or her personal responsibilities.



 **UTI**
Pho







Call Us

Your healthcare distribution solution

Call us on 0860 00 04 43

Visit us at www.UTiPharma.com

email us at infopharma@za.go2uti.com

Distribution centres are located in

Linbro Park and Longmeadow, Johannesburg

Bloemfontein

Cape Town

Durban

Port Elizabeth



The shortest distance between two points is a straight line

And that's what direct distribution at UTi Pharma is all about.

We connect pharmaceutical manufacturers to their customers as quickly, efficiently and cost effectively as possible. There's no fuss, no add-ons, no additional fees.

Just a straightforward service that delivers original quality medicine and healthcare products to thousands of dispensors, so patients can safely get the healthcare they need, when they need it.



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