



Case Study

Cencora

Reaching a New Level with Automated Item Set Up

Challenge

As one of the “big three” pharmaceutical wholesale distributors, Cencora¹ connects manufacturers, providers, and patients to provide them with the therapies they need, where and when they need them. These partnerships bring an enormous amount of data that must be managed; and Cencora ensures data quality is maintained. When the U.S. Food and Drug Administration enacted the Drug Supply Chain Security Act (DSCSA) to improve interoperability between trading partners, and traceability at the lowest saleable-unit level, many in the industry focused solely on compliance. But for Cencora, it became an opportunity to enhance master data management – especially for adding new products – that would “level up” industry standards, resulting from manual processes being used.

Solution

Cencora launched a pilot to demonstrate that GS1’s Global Data Synchronization Network™ (GDSN®) could be used to manage product data for existing and new products in the supply chain that are governed by DSCSA. Working with a drug manufacturer and a data pool, the company was able to prove the GDSN concept improves both data quality and accuracy while reducing risk of human error and increasing productivity.

Benefit

- **Improved data quality.** Through the use of the GDSN information exchange, trading partners can receive accurate updates to products and their attributes in real time.
- **Improved productivity.** Resources are focused on core functions versus manually communicating product information or dealing with errors due to inaccurate data.
- **Future-Proofing.** By utilizing the GDSN with its manifest benefits, companies can be well-positioned for the next stage of supply chain technology and regulation.

¹ Cencora, Inc. (NYSE: COR) announced a name and stock ticker change from AmerisourceBergen Corporation (NYSE: ABC). <https://www.cencora.com/newsroom/press-releases/amerisourcebergen-becomes-cencora>

Cencora is one of the leading global pharmaceutical solutions organizations. It is committed to improving the lives of people and animals everywhere. As one of the “big three” wholesale pharmaceutical distributors in the U.S., Cencora supplies pharmacies, healthcare facilities, doctor’s offices, and others with both prescription drugs and related consumer products.



Cencora deals with virtually every pharmaceutical company – more than 500 suppliers. The supplier base results in thousands of transactions per day, be those purchase orders, advanced shipping notices (ASNs), invoices, or other business dealings.

Traceability as a Requirement

The United States Food and Drug Administration (U.S. FDA), when enacting the Drug Supply Chain Security Act (DSCSA) in 2013, gave the pharmaceutical industry ten years to adopt measures to identify and trace certain drugs. While the industry has been focused on meeting these specific requirements, that hasn’t stopped Cencora from seeking additional innovations to improve global supply chain visibility.

“There’s a misnomer that GDSN is for non-pharmaceutical goods. We wanted to demonstrate that GDSN can be used to support pharmaceuticals, especially for Rx setups.”

Mike Miller
Vice President, Manufacturing Data Management Services, Cencora

One area ripe for innovation is at the beginning of a product’s journey – when it is getting set up in Cencora’s system. Cencora is tasked with an average of 50 to 60 new item setups each day, with some days spiking at twice that many. Without a rock-solid method of consistently introducing items with extensive – and accurate – product data into the supply chain, confusion could ensue.

Cencora launched a pilot to determine if the Global Data Synchronization Network™ (GDSN®) – a platform for the electronic transfer of master data between trading partners and synchronization of that information over time – could be extended to become a new master data set-up mechanism.

Standards for All

“There’s a misnomer that the GDSN is for non-pharmaceutical goods. We wanted to demonstrate that the GDSN can be used to support pharmaceuticals, especially for Rx setups,” says Mike Miller, Cencora’s vice president for Manufacturer Data Management Services.

The GDSN is integral to a system of standards intended to identify, capture, and share data. All industries, including the pharmaceutical industry, can reap the benefits of the system, particularly within industries with regulatory requirements.

Tim Beck, director of Manufacturer Data Management Services for Cencora, partially attributes the decision to proceed due to their participation in a GS1 US Workgroup dealing with DSCSA, as well as the work the company was doing in the data quality arena, the latter being the strongest influence.

“We were involved in a data quality push and were looking for a more automated and timely way to communicate product changes and product adds for the pharma community,” says Beck. “What was previously used was a glorified Excel® spreadsheet.”

The margin for error is very high when data is being managed manually, like in spreadsheets. In any business, this is a cause for concern, but when you are dealing with pharmaceutical products, the ramifications can be alarming and severe.

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Director, Manufacturing Data Management Services, Cencora

Even though only a handful of constituent suppliers use the GDSN, Cencora remained undaunted and selected as a partner a pharmaceutical manufacturer expressing interest in the potential of the GDSN for new product adds. Both Cencora and its pilot partner assembled a team of appropriate technical people to make sure data could flow, and appropriate businesspeople to determine if the data was relevant and made sense. A connection was established with a data pool to move data along the supply chain.

“At the end of the day, IT experts can own a solution or own the system, but it’s really the users that are inputting the data that make the system work,” says Miller. “If you don’t have somebody from the business side doing that, you don’t have a good test.”

Attributable to Success

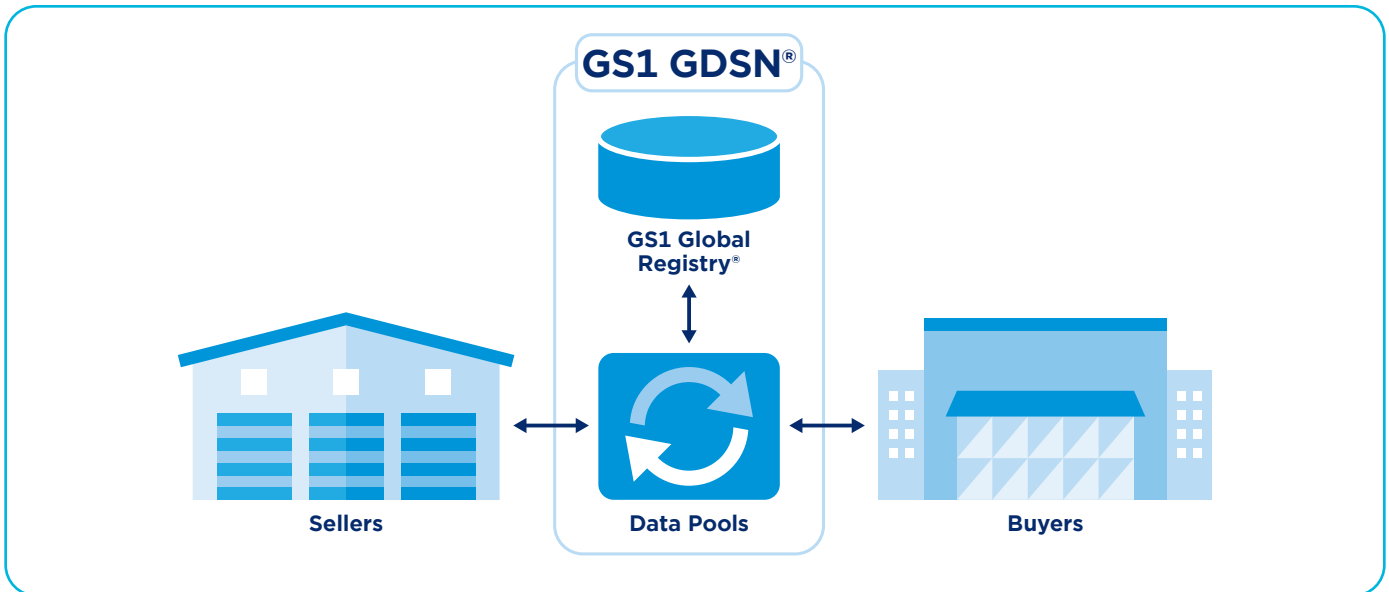
The GS1 US Workgroup identified 41 drug attributes required for DSCSA that are also needed to execute basic healthcare

supply chain functions. These 41 attributes fell into three categories: product consideration, procurement and pay, and Electronic Product Code Information Services - EPCIS. Some of the essential attributes identified were the Global Trade Item Number® (GTIN®), brand name, and net content as well as the dosage form, ingredient information and measurements of the product packaging. Cencora discovered it needed to create additional attributes – particularly those dealing with hazardous substances – as part of Cencora’s “playlist.” Cencora pegs the number of total attributes to be in the 100 to 150 range. Cencora understands as more industry players begin to use the GDSN, adjustments may be needed.

“It’s been a tough road to get manufacturers to move away from what they’re used to, even though the GDSN is offering benefits that provide return-on-investment to manufacturers,” Beck says. “Pharmaceuticals have not traditionally been engaged with the GDSN, as has been done in food or medical devices or other industries. This is a new sector to bring into the GDSN realm, so we expect it to be a low number to start off and we will build from there.”

Once all the connections were in place for the pilot, the drug company added its product data to the GDSN and published it to Cencora using its chosen data pool partner – 1WorldSync. Cencora reviewed the data in its setup portal for completeness, accuracy, and usability. Once the data passed the review, Cencora pulled the data into the staging environment as if it was going into production. Would it set up an item as it was expected to?





“Obviously it did, and that was how we marked the success of our pilot: taking the data and being able to create a true test item. It’s something we definitely want to start moving manufacturers toward, where it makes sense, where the return on the investment can be seen, Beck says. “Some of the big manufacturers are very interested. The accuracy of data coming directly from their data sources is very convincing.”

Cencora has already engaged another manufacturer who pushes a great deal of data to the company and it expects to continue to prove the efficacy of the GDSN model with others. Because pharmaceutical products do not often change, and if they do, they’re given new master data identification – essentially becoming a different drug – the new setup process through the GDSN is not a heavy lift once it’s initially set up and made operational.

Ongoing Data Health

Data management and data sharing are never a once-and-done proposition. It’s continuous. Rather than creating a spreadsheet, communicating the spreadsheet to dozens of trading partners, and duplicating those efforts every time a change is made to the data in that spreadsheet, readily illustrates a process rife with the potential for error. A push system – in which data changes are automatically shared with everyone in the system with every push of a button to publish – leaves no room for omissions or errors.

Even if spreadsheets are assiduously shared to all the requisite recipients, will those recipients take note of the changes? With changes flowing through the GDSN, attention to detail is done for them: the moment a discrepancy is discovered, it can be corrected within minutes and pushed to every relevant party.

“A spreadsheet very rarely gets updated. ... [With] the GDSN you do them in your system and it ripples throughout your supply chain.”

Scott Brown
Senior Director, Global Data Strategy, 1WorldSync

“A spreadsheet very rarely gets updated. If there are changes or updates that need to happen, with the GDSN you do them in your system and it ripples throughout your supply chain in real time,” says Scott Brown, Senior Director of Global Data Strategy for 1WorldSync.

From Factory to Dispenser

Today, a drug company wishing to use the new product process must first be set up with a Global Location Number. Then, they can go into Cencora setup portal where they are required to add a Health Distribution Alliance’s Standard Rx Product Information Form². The portal will utilize that basic document and will “read” the data, trying to populate all the necessary fields in the Cencora setup environment. The manufacturer, while still within the portal, ensures it is complete and accurate before its information is submitted for approval. Cencora’s master data team reviews the data and sets up an item that will ultimately be purchased by Cencora for sale to its customers.

“If you’re pulling it directly from your data source and populating the GDSN, that’s your data,” Beck says, “and it’s exponentially better. Something that may take a few hours for a manufacturer to compile from an item setup request, can literally be done in a few minutes. It’s simplified, increasing overall accuracy and efficiency.”

² The Healthcare Distribution Alliance (HDA) is the national organization representing 35 primary pharmaceutical distributors — a link between the nation’s pharmaceutical manufacturers and pharmacies, hospitals, long-term care facilities, clinics and others nationwide as well as approximately 130 manufacturers and more than 50 service providers.
[https://www.hda.org/publications/standard-pharmaceutical-product-and-medical-device-information-\(rx-product-only\)/](https://www.hda.org/publications/standard-pharmaceutical-product-and-medical-device-information-(rx-product-only)/)

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With new products, speed-to-market can be a significant factor. Group purchasing organizations (GPOs) in France found that manufacturers were able to get their products to market three to six times faster using the GDSN³.

Patient Care at the Core

Because enhanced patient care is one of the tenets of Cencora’s mission and the DSCSA regulation, the ability to tie data accuracy to downstream benefit is clear and important. Manufacturers can fulfill orders to Cencora distribution

centers quicker and more efficiently. DCs, in turn, can supply drug dispensers without any interruption; and pharmacies, doctors and other caregivers on the receiving end can prescribe the drugs to the patient, which in some instances may be urgent.

Mitigation of risk is also an obvious benefit to automated data management. Take for instance a pharmaceutical product that requires refrigeration. If manual data entry omitted that requirement, drugs stored improperly might have to be destroyed, even as they are in intense demand.

The pharmaceutical industry, guided by leaders like Cencora, has the opportunity, brought about by legislation, to leverage the suite of GS1 Standards as they were intended to be used. By proactively piloting a way to address a foreseeable issue – exceptions due to master data issues – Cencora has found another solution to the challenges faced by the industry.

“We embarked on this to take drug manufacturers to the next level of data integrity and data quality,” Beck says.



³ *Two healthcare purchasing organisations now share a greater volume of medical product information with their members: “The average time between a supplier’s decision to publish product information ... to publishing portals and this information’s accessibility to potential buyers was three to six months for the companies who did not use GS1 GDSN and just three weeks for suppliers who did.” -- GS1 AISBL 2021.*

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Manufacturing Data Management Services,
Cencora



About the Organizations



About Cencora

In 2023, AmerisourceBergen Corporation announced its name change to Cencora Inc., unifying 46,000 employees across several global business segments. Cencora includes AmerisourceBergen, a leader in pharmaceutical distribution and supply chain operations in the U.S. Cencora Corporation is one of the world's largest pharmaceutical services companies, serving global markets with a focus on the pharmaceutical supply chain. Servicing pharmacies, providers, and pharmaceutical manufacturers, the company provides global product sourcing and distribution and related solutions designed to improve product access, increase supply chain efficiency, and enhance patient care. www.Cencora.com



About 1WorldSync®

1WorldSync® is the leading provider of omnichannel product content solutions, enabling more than 14,000 companies in over 60 countries to share authentic, trusted content that empowers confident commerce and intelligent consumer purchasing decisions. Through its technology platform and expert services, 1WorldSync solves revenue-impacting product content challenges faced by leading brands and retailers in the CPG/retail, DIY, consumer electronics, healthcare and food service industries. 1WorldSync is one of the only product content providers and GDSN Data Pools to achieve ISO Certification 27001. <https://www.1worldsync.com>.

About GS1 Healthcare US

GS1 Healthcare US® is an industry group that focuses on driving the adoption and implementation of GS1 Standards in the healthcare industry in the United States to help improve patient safety and supply chain efficiency. GS1 Healthcare US brings together members from all segments of the healthcare industry to address the supply chain issues that most impact healthcare in the United States. Facilitated by GS1 US, GS1 Healthcare US is one of over 30 local GS1 Healthcare user groups around the world that supports the adoption and implementation of global standards developed by GS1. www.gs1us.org/healthcare.



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IAPMO

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*If applicable

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