Transcript: Kuehne+Nagel & QuickSTAT – Podcast 2

“Communications, expectations & hidden heroes”

Intro: I'm Chris Riback. Welcome to another special episode of QuickConversations, featuring a guest speaker from our parent company Kuehne+Nagel. Our podcast explores the extraordinary world of global supply chain logistics: How it keeps business — and life — moving.

In part 1 of our two-part series, “From clinical trials to commercialization: The Pharma-Healthcare global supply chain,” we discussed what’s required to maintain a successful global supply chain—one that can include life-changing and life-saving shipments. In this episode of QuickConversations we’re joined by a guest podcaster from our parent company, Kuehne+Nagel: Robert Coyle, Senior Vice President of Pharma & Healthcare Strategy. Also joining us again is QuickSTAT’s Scott Ohanesian, Senior Vice President Operations, Clinical Trial Logistics. Together they represent the end-to-end planning and execution of the pharma product life cycle process.

Now, in part 2 – “Communications, expectations & hidden heroes” – we dig deeper into supply chain planning and strategy, specifically the critical role that clear, frequent communications plays. We’ll also hear what it takes to move urgent, life-critical cell & gene therapies to and from patients – as well as to help manage some of the most important clinical drug trials of our time.

One Quick ask before we begin this second of our two-part series with Rob and Scott. If this podcast inspires a question for Rob or Scott, please reach out to them! Go to quick.aero/podcasts and click on the “Ask The Podcasters” link. And if you’d like a transcript of the conversation, you also can download a copy on this page as well. Or visit Kuehne+Nagel’s website at kuehne-nagel.com and search for “podcasts.”
Thank you. Here’s Part Two of my conversation with Rob Coyle and Scott Ohanesian. We began by exploring how communications protocols with pharma companies evolved as the COVID vaccine trials and manufacturing processes got underway.

Rob Coyle: What that did, Chris, for us is it triggered a different level of conversation with our customers. What changed, amazingly, is it started to look at what was really a high priority? How do we need to be more proactive?

I see much more of that, and I think that approach that we took from a Kuehne+Nagel standpoint, and not from a contract force majeure standpoint, we just got out and started educating on market situations, talking to our customers about what they thought they needed and what we thought they needed and on how to react.

It proved with all the innovation technology, supply chain is still a people business.

Chris Riback: Scott, on communication, how do you think about communications and transparency when you're working across so many stakeholders?

Scott Ohanesian: First and foremost, to add to what Rob was saying there about communication and supply chain being a people business, it definitely is. Communication is critical. That I think goes hand in hand with transparency and stakeholders.

What you really want to do is create a communication chain that you're able to scale so as you have a larger supply chain, you're not throwing people at it. You're able to scale it through automation or through really efficient streamlined communication and then understanding what stakeholders need information when.

There's already a mapped out plan. What happens when something deviates from the normal supply chain and ensuring that when we're coming to them to communicate, that the communication is clear, it's on time, and it explains whatever deviation it might be and the resolution to that.

For us, when we look at communication structures, it's really trying to understand how do you scale it, who should be involved and when, and also understanding what's important to the client with that.

Chris Riback: I'm curious about your insights as well for the industry, both of you. We all around the world have followed it and we hope are benefiting from the fact that these vaccines were created in record time and needing to get to their locations in super record time.

The expectations that folks now have around trials and getting a vaccine, getting a pharmaceutical to market, what do you see happening to the future of the pharma product life cycle and how would you recommend pharma clients be thinking about the supply chain requirements and function as they are considering, "Okay, this market might be evolving. The expectations might be different going forward." What guidance might you have on that?

Rob Coyle: During product life cycle, the core element of any pharma healthcare is that product. What's critical during that whole stage is seamless logistics. We're able to move the freight, we're able to maintain that quality, which allows the efficacy of that product to truly be tested during clinical and allows efficacy of that product to be effective as a commercial product.

I think what's going to happen, because of the speed of these products coming out organizations are going to probably test some of the norms of the typical three, four, five years of product life cycle to get to market to be a lot less.

If Scott's working on an early stage clinical trial one, he and I are talking about that, requirements for the product are clear. We can pick that up and deliver that into the commercial world. Making that seamless is very important in the product life cycle.

Chris Riback: Scott, thoughts from you on the industry going forward on maybe evolved expectations and how the industry might want to think about the global supply chain portion, given the potential for these new expectations or evolved realities?

Scott Ohanesian: I will definitely try to dust off my crystal ball. I think there's no way you go back to the same timelines as before.

Now that doesn't mean you're absolutely going to mimic the same timelines we saw with some of these COVID-19 vaccines, but we know that it can be done. People are going to demand more. I think you will see a lot of these therapies trying to get that

to market sooner. How do you do that?

A lot of those trials had to shift to direct to patient. A lot of the pharma companies that did that shift might never have done direct to patient where a patient is treated with the therapy in their home or a patient's sample is taken from their home and sent back to a lab ever before. We, as a company, have seen a 60% increase in direct to patient shipments and we have a huge influx of more trials coming. Just year over year. A lot of that has been driven by COVID-19. I don't think that goes away.

Narration: Clearly, that kind of growth drives significant changes. I asked Scott to describe some of them.

Scott Ohanesian: Well, what we saw was you got to retain patients in your trial, so it didn't stop a trial. What we've seen anecdotally is that a lot of the trials where direct-to-patient is an option, we see enrollment happening quicker. The ultimate outcome of that is you get to the phase of that trial quicker.

That's something that's important, if you get good data or bad data, that's important because if you have a drug that's not going to make it to the next step, no earlier. That's less wasted resources across the board. If you know the drug is going to get to the next phase, you can focus your resources in on that. That makes us, as an industry, more efficient.

Rob Coyle: Chris, I'll also just reiterate something that Scott said, the last 12 months, as hard as it's been on the world, I think the moments that I will remember the most, is the folks that are on my team, and Scott's team, that are actually handling the product, driving the trucks ... We've done hidden heroes stories out on our website with some of these folks and the stories are phenomenal, Chris. When they say, "For 20 years", 15 years, "I've been driving this truck and moving product, moving pharma healthcare product, I never knew the impact that what I was moving until now because I know my parent, my grandparent needs this drug."

Narration: As they both had noted – the Pharma Healthcare global supply means moving cell and gene therapies and personalized medicines – therapies that might involve critically ill patients or, as we know today, vaccines meant to save our societies. After so many years in the business, I wanted to hear more about one of the greatest challenges the industry has seen: the race to create and deliver a COVID-19 vaccine. I asked Rob and Scott to share what it’s been like to engage with the global pharmaceutical companies and the COVID vaccine, from clinical trials all the way through to getting shots into arms.

Scott Ohanesian: It’s absolutely an exciting process. We've been working in this industry for decades and this prepared us for this launch and really this sprint. Less of a marathon, more of a sprint.

From a QuickSTAT and Kuehne+Nagel product life cycle, QuickSTAT 's generally going to be on the front end. QuickSTAT 's going to be helping with the clinical development of the vaccine. We've been working with many different companies and many different vaccine makers, so we've had a hand in most of them that are coming out to market and some that are still being developed.

Narration: Scott mentioned one organization in particular that they’d been working with for many years on other clinical trials. Last spring this company had a new, urgent

request: They were preparing a COVID-19 vaccine and needed immediate support to manage logistics and transportation around the materials and several phases of fast-tracked clinical trials.

Scott Ohanesian: What QuickSTAT needed to look at was what was the temperature it needed to be transported at? What temperature did it need to be stored at? What timeline did we have to get it from that manufacturer out to the packaging company, out to the sites? What level of oversight was needed?

We were very much engaged and involved with planning that supply chain and as we're doing that, we're thinking ahead of if this actually gets approved, they're going to need to scale this up in a much larger level and that's the perfect hand-off to Kuehne + Nagel.

Very early on, Rob Coyle was engaged, other people from the Kuehne+Nagel team, and as we started to see it go successfully with clinical trials and we helped support that side of things with quality control samples, temperature controls, everything through clinical development, Kuehne+Nagel already had a background so that they could go in front of that company and take it to the next level.

Chris Riback: Rob, you took it from there?

Rob Coyle: Took it from there. In that early engagement, not only on the design and supply chain but early engagement with the stakeholders in this company, help to build some confidence and start to share what some of the options could be.

Chris Riback: What did that look like? What were those engagements, those conversations?

Rob Coyle: Well, I think it was very interesting because, typically, what we've seen for years is the customer will bring a design to us. Right? "This is what I want. Tell me how much it's going to cost me to build." In this scenario, it was, here's the outcome we think we're going to need. We're not sure how much volume or all the places and when they're going to come into play. This is what we think we need. How do we build a design that's flexible to be able to handle some of these assumptions that could change over time?

That early engagement with Scott and the QuickSTAT team really helped us to take a look at not what we thought the customer was going to ask but with our experience, what would we do. I think that was key.

Chris Riback: Take me through the steps of the process. How did it work?

Rob Coyle: Our first design decision was to put a warehouse in Europe and a warehouse in the US that not just would serve those markets but would serve those markets via road logistics or the surrounding countries but had access to some of our more capable airport capability to be able to do air logistics around the globe.

The one thing we did add for COVID-19 is our air logistics, something we call our air side capability. As anyone in logistics will know, when it gets to the tarmac in a hot environment, that's where some of those risks can come in. Or a cold environment.

Having Kuehne+Nagel staff on the tarmac for that air side solution reduced some of that risk, especially for our COVID-19 customers. We also, Chris, put in place what we call our “hyper-care team” – people all around the globe, people coming up and

down and we're monitoring shipments with updates, similar to what QuickSTAT does in clinical on 15 minute updates to make sure we provide a hyper-care, so there's no worry about the products moving.

It's been really exciting, Chris, to leverage all of that capability and do that design. That iterative design allowed us to ebb and flow as the customers' requirements were changing. Now -70 to -20, companies are getting better data on stability to get to two to eight. Some products are coming out two to eight.

Narration: I asked Rob and Scott to explain what's involved in transporting highly temperature-sensitive vaccines and drugs.

Rob Coyle: Scott, I'm sure, will talk about the QuickSTAT control towers, we are hand holding every portion of that shipment, Chris. Is it set up right? Is it packaged in the right way? When you package these goods, you're pre-conditioning almost like gel packs that go into the case, has that been set up right? Has it been sealed correctly? Are the sensors on that product? Are the sensors reading throughout the exercise? Have we picked all the top-notch carriers that we know we're going to get data back from? Do we have the stakeholder plan set up in case there is an issue that we need to look at rerouting? That whole process, we do.

Chris Riback: Scott, any conversation, anything behind the curtain that you're quickly able to bring to life?

Scott Ohanesian: Absolutely. One, for example, was just early stages in the US, where you were shipping a vaccine that had to go on dry ice and there was a lot of flight cancellations and you're going into smaller markets, and you don't want to be stuck in a situation where supply chain is delaying many patients. You need to get this vaccine out to trial as soon as possible.

There are actually cases where we sat down with the company, in particular, we looked at using charter aircraft again, which is not something we see every day and we used the charter aircraft to actually fly into different locations, unload the vaccine, fly onto another location, tracking the planes and then tracking the vehicles on their way to the site, having them arrive at the site an hour early prior to the people there that are going to be taking the vaccine off and into the hospital to dose those

Chris Riback: patients in clinical development. It was just really exciting to see.
It had to have been. Scott, Rob, you've shared a lot of exciting updates in this conversation and, importantly, shined a tremendous and deserved spotlight on pharma, healthcare and global supply chain. Thank you for your insights and your time – and thank you for the work that you and your colleagues do every day.

Rob Coyle: Thank you, Chris.

Scott Ohanesian: Pleasure to be here. Thanks very much.

That was my conversation with Rob Coyle and Scott Ohanesian, on the topic of "Communications, expectations & hidden heroes.

If you missed part one of this two-part series, which explored **From clinical trials to commercialization: The Pharma-Healthcare global supply chain**" or have a question for Rob or Scott, visit quick.aero/podcasts or visit Kuehne+Nagel's website at https://home.kuehne-nagel.com/-/services/pharma-healthcare-logistics.