Supply Chain Optimization

CareAdvantage from the Johnson & Johnson Medical Device Companies (JJMDC) helps Spectrum Health improve JJMDC product availability, reduce logistics costs, and decrease variation at its distribution center.

**Needs Identification**

- Reduce average weekly product codes out of stock
- Reduce the number of days products are out of stock
- Minimize expedited order fees for the Spectrum Health Distribution Center (DC)

**JJMDC Capabilities**

- Assigned A/B/C designations to JJMDC SKUs stocked in the DC and tracked performance of these categories weekly
- Established culture of transparency by providing order fees data and benchmark data for comparison to similar health systems
- Integrated JJMDC and Spectrum Health inventory data, linking the supply and demand needs across the two organizations
- Conducted operational reviews on a weekly basis to enable real-time adjustments

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**Delivering Results**

1. **49% ↓** in weekly JJMDC product codes out of stock
2. **18% ↓** in average days out of stock
3. **96% ↓** in DC expedited order fees

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*All analyses and reviews focused on processes and performances related to JJMDC products only

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“I use the work we’ve done with JJMDC as the benchmark with different manufacturers looking to partner with us”
– Jason Shelton, Manager of Supply Chain Management Operations, Spectrum Health

These are examples only and do not guarantee or predict future results, which will vary depending on individual circumstances

   Johnson & Johnson Health Care Systems Inc.