

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

“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

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)

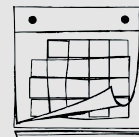
JJMDC Capabilities*

- 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

Delivering Results¹



49% ↓ in weekly JJMDC product codes out of stock



18% ↓ in average days out of stock



96% ↓ in DC expedited order fees

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

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

1. Weekly stocking reviews with Spectrum CSC / J&J Supply Chain. April 2016 – April 2017. Johnson & Johnson Health Care Systems Inc.