ABBOTT LABORATORIES

Global healthcare manufacturer uses core expertise to drive consistent deployment of GS1 Standards for the benefit of customers and patients alike

“...We recognized the short- and long-term potential benefits of using GS1 Standards. By implementing the standards as part of our normal business processes, we are able to proactively manage the pace of change on our own terms as opposed to reacting to a mandate or crisis.”

—Mike Wallace, Director, Global Standards & Serialization

CHALLENGE

Abbott Laboratories (Abbott) was faced with a number of new regulatory and customer requirements for product identification and information. As it surveyed the global landscape and its business segments, the company wanted to ensure it would be “easy to do business with.” Abbott decided to implement GS1 Standards to efficiently manage and share accurate product data with regulators and trading partners.

SOLUTION

Abbott formed its Global Standards & Serialization Office (GSSO), a corporate team of experts that is responsible for educating and supporting each of its four businesses when implementing GS1 Standards. This flexible model has enabled Abbott to utilize Global Location Numbers (GLNs) for company locations and Global Trade Item Numbers (GTINs) for its products. The company has also registered these GTINs and their product attributes in the Global Data Synchronization Network™ (GDSN®) for accurate data sharing with trading partners.

BENEFITS

• Abbott’s customers, such as group purchasing organizations, have responded positively to the company’s GDSN implementation since it will help them streamline their ordering processes and help minimize errors and rework.

• Using GTINs and the GDSN, one of Abbott’s trading partners, a major healthcare provider, affirmed an improved order-to-cash process that is more accurate and efficient.

• Abbott is well positioned to support compliance with the FDA Unique Device Identification (UDI) regulation with its implementation of GTINs and the GDSN.

• By using GS1 Standards, Abbott helps providers ensure patients receive the right products, strengthening patient safety practices.
A NATURAL REQUIREMENT

Abbott Laboratories is one of the world’s leading, global healthcare companies. The company has four core businesses: nutritionals, diagnostics, medical devices, and established pharmaceuticals.

With sales, research, manufacturing and distribution facilities located throughout 150 countries, Abbott combines its diverse expertise with deep cultural insights to create products that meet local and regional health needs. About 70 percent of Abbott’s sales come from outside the United States, making it a truly global company.

Mike Wallace, director of Global Standards & Serialization, describes the diverse, yet unified nature of the Abbott business model. “Abbott participates in both retail and regulated healthcare markets with multiple businesses that operate independently. Yet, all of our businesses are leveraging a similar approach to GS1 Standards when managing product data throughout our supply chain.”

Abbott is no newcomer when it comes to using GS1 Standards. The company has used Universal Product Codes (U.P.C.’s) on its nutritional products for more than 30 years, and its pharmaceutical business has been an early adopter of standards for regulatory compliance.

“I moved into this role from Abbott Nutrition. Using GS1 Standards is a requirement for consumer goods,” says Wallace.

In his current role, Wallace has responsibility for the implementation of global standards and serialization for the enterprise. Serialization is a tool used to enable Abbott businesses to track and trace their products as they travel from manufacturing through the supply chain to consumers.

Wallace soon learned that some of Abbott’s businesses were using proprietary product identification methods that would not be compliant with proposed new regulatory and customer requirements. He also observed that countries like Brazil, France, Germany and Japan, were starting to require the use of the GS1 System of Standards. “The new reality of the world is that the data [commercial, clinical, regulatory] around the product is now as important as the product itself,” says Wallace.

Soon Wallace was consulting with Abbott executives about the business advantages of adopting standards company wide.

EXPERTISE AND FLEXIBILITY

Brad Depke, director of Abbott’s GS1 Program, echoes Abbott’s drive for standardization. “We’re responding to the needs of our customers, ensuring that our company is easy to do business with. By adopting standards, we are also better prepared to comply with various country regulations.”

In late 2008, Wallace formed the Global Standards & Serialization Office (GSSO), a corporate group that has enterprise-wide responsibility to facilitate the implementation of GS1 Standards and serialization for all of Abbott’s businesses.

Depke who heads the GS1 Standards effort describes the group’s approach, “An initial step for our team was the creation of a standard operating procedure stating the requirements for Abbott’s usage of GS1 Standards, including the creation and management of GS1 standard data for product and location identification. At the same time, we recognized the autonomous nature of our businesses during this transition. This centralized GSSO expertise coupled with decentralized business unit flexibility has been fundamental for our success.”

“We recognized the short- and long-term potential benefits of using GS1 Standards. By implementing the standards as part of our normal business processes, we are able to proactively manage the pace of change on our own terms as opposed to reacting to a mandate or crisis.”

“The new reality of the world is that the data [commercial, clinical, regulatory] about the product is now as important as the product itself.”

—MIKE WALLACE, Director, Global Standards & Serialization
While the GSSO provides the “center of expertise,” it also partners with and extends its knowledge to global associates within Abbott’s businesses via educational opportunities.

John Terwilliger, senior business consultant in the GSSO, explains, “Each of us serves as a liaison to a respective business within Abbott. As a corporate function, we bring uniform methodologies and best practices to the businesses. In the end, this saves time and costs across the enterprise.”

MANAGING THE PACE OF CHANGE

One of the GSSO’s first steps was the identification and documentation of GS1 Global Location Numbers (GLNs) to meet the healthcare industry’s 2010 GLN Sunrise deadline for location identification.

In 2011, the team initiated the assignment of GS1 Global Trade Item Numbers (GTINs) – unique identifiers for each product in the business units’ portfolios, which was a major goal of the industry’s 2012 GTIN Sunrise.

Another critical step was to load the Abbott GTINs and required healthcare product attributes in the 1WorldSync™ data pool for sharing product data in the GS1 Global Data Synchronization Network (GDSN).

GS1 STANDARDS USED IN ABBOTT’S DEPLOYMENT

The Global Location Number or GLN is a globally unique GS1 identification number used to identify locations and supply chain partners. GLNs can be used to identify a functional entity (e.g., accounting department), a physical entity (e.g., warehouse, hospital wing, nursing station) or a legal entity (e.g., health system corporation).

The Global Trade Item Number® or GTIN® is a globally unique GS1 identification number used to identify products at every level of packaging that are sold, delivered and invoiced at any point in the supply chain.

The Global Data Synchronization Network or GDSN provides a way for trading partners to synchronize and share data that is held in their respective databases to ensure that all supply chain partners are using identical, up-to-date, reliable product information.

The GDSN connects trading partners to the GS1 Global Registry® via GS1-certified Data Pools to which participating members subscribe for sharing their data, specifically GTINs and product attributes.

“As a corporate function, we bring uniform methodologies and best practices to the businesses. In the end, this saves time and costs across the enterprise.”

—JOHN TERWILLIGER, Senior Business Consultant, Global Standards & Serialization Office

The XIENCE Xpedition™ Everolimus Eluting Coronary Stent System is comprised of two main components: the drug-coated stent and the balloon expandable delivery system. The label displays a GS1-128 barcode including the GTIN (01), Expiration Date (17), Lot Number (10) and an Internal Company Code (91).

In the upper right corner, the information is concatenated into one barcode and wraps around the spine of the box for quick scanning of inventory.

The two barcodes on the lower portion of the label depict the same information as the one on the spine. ISO 8601 format is used for the expiry date (YYYY-MM-DD).
“The hospital GPOs [group purchasing organizations] realize that implementing the GDSN is an important step for them since it helps streamline their ordering process and minimize errors and rework.”

— NADA SAVATIC, Senior Program Manager for the GDSN Project

Nada Savatic, senior program manager for the GDSN project, managed the team, which combined the implementation of the GDSN with the creation of GTINs to work simultaneously. The team developed a common process, working with IT to stage each of Abbott’s businesses when delivering product data.

“Implementing the GDSN has been significant for us,” says Savatic. “It facilitates the sharing of data so that all of our trading partners – here in the U.S. and ultimately around the world – will receive accurate and timely information about our products.”

To date, about 83 percent of Abbott’s U.S.-based products, including medical devices, have their GTINs and other data attributes registered in the GDSN. “Our goal is 100 percent even as new products are introduced to the U.S. market,” says Depke. “Over time, our plans are to share GTINs and item data to all target markets, using a common framework, repeatable processes, and adhering to Global Data Synchronization [GDS] principles.”

A THREE-WAY MATCH

During the GDSN implementation process, the GSSO contacted Abbott customers to advise that the company could now offer its all-inclusive product line from one source. The team received positive responses, especially from GPOs (group purchasing organizations).

Savatic explains, “The hospital GPOs [group purchasing organizations] realize that implementing the GDSN is an important step for them since it helps streamline their ordering process and minimize errors and rework.

“Eventually, they will not need to maintain proprietary product numbers from every manufacturer. They can be assured that when they order product A, they will receive product A, and not product B. By having and sharing standardized product identifiers, there is potential value for our order-to-cash processes – for our businesses and our customers.”

The GSSO shared an example in Abbott’s businesses where GS1 Standards are making a difference. “One of our major healthcare providers uses GS1 Standards, including the GDSN,” shares Terwilliger. “When ordering our products, the provider issued the Purchase Order listing our products’ GTINs, instead of proprietary part numbers or SKUs, since, as trading partners, we share product data via the GDSN. They received the right products along with an accurate invoice, which also listed the products’ GTINs. We call that a ‘three-way match’ – efficient and accurate ordering, fulfillment and invoicing.”

Savatic continues, “Now when a customer requests an Abbott catalog, the salesperson can simply get the customer’s GLN to give the customer access to not one, but all of Abbott’s products in all businesses. Some of our GPOs and customers have commented that they appreciate knowing about all our product lines.”

The GSSO team concludes by referencing one of Abbott’s core values: caring for patients.

“For 125 years, Abbott has been about improving lives through medical science and the life-changing technologies we create,” says Depke. “This same caring extends to how we fulfill and distribute our products to ensure patients receive the right products in a timely manner. Patient safety is one of the key drivers for Abbott’s use of [GS1] standards.”

GS1 STANDARDS AND UDI

The U.S Food and Drug Administration (FDA) Unique Device Identification (UDI) regulation is at the forefront in the medical device market as companies need to transition from disparate medical identification methods to a standardized UDI system. Suppliers will be required to assign and apply a UDI to all medical devices.

Abbott’s choice for the UDI’s device identifier is the GS1 GTIN.

Suppliers will be expected to provide their UDI data for access by the FDA in a single, global UDI database (GUDID) system. Since the GDSN is currently used by many trading partners, it can be leveraged as a “data feed” to the UDI database.

With its GDSN implementation, Abbott is well positioned to support this new regulation. In fact, Abbott’s GSSO developed its GDSN implementation with the UDI in mind, merging its business requirements with the FDA requirements.

The GSSO also worked closely with 1WorldSync, its GS1 certified-data pool provider, to establish the FDA as a recipient of Abbott’s device data. “Leveraging the GDSN for UDI compliance was a strategy we devised when we heard about the regulation,” explains Terwilliger.

Depke agrees, “With GS1 Standards, we have a common, single solution for UDI compliance for Abbott.”

The hospital GPOs [group purchasing organizations] realize that implementing the GDSN is an important step for them since it helps streamline their ordering process and minimize errors and rework.

— NADA SAVATIC, Senior Program Manager for the GDSN Project
CASE STUDY: ABBOTT LABORATORIES – AUGUST 2013

“Patient safety is one of the key drivers for Abbott’s use of [GS1] standards.”
— BRAD DEPKE, Director, GS1 Program

CONTACT US
GS1 Healthcare US® provides expertise, tools and resources to help companies implement GS1 Standards to improve patient safety and supply chain efficiency. To learn more, contact GS1 Healthcare US at GS1HealthcareUS@GS1US.org or visit our website at: www.GS1US.org/healthcare

ABOUT ABBOTT LABORATORIES
Abbott is a global healthcare company devoted to improving life through the development of products and technologies that span the breadth of healthcare. With a portfolio of leading, science-based offerings in diagnostics, medical devices, nutritionals and branded generic pharmaceuticals, Abbott serves people in more than 150 countries and employs approximately 70,000 people. www.abbott.com

ABOUT GS1 US
GS1 US®, a member of GS1, is an information standards organization that brings industry communities together to solve supply-chain problems through the adoption and implementation of GS1 Standards. More than 300,000 businesses in 25 industries rely on GS1 US for trading-partner collaboration and for maximizing the cost effectiveness, speed, visibility, security and sustainability of their business processes. They achieve these benefits through solutions based on GS1 global unique numbering and identification systems, barcodes, Electronic Product Code-based RFID, data synchronization, and electronic information exchange. GS1 US also manages the United Nations Standard Products and Services Code® (UNSPSC®). www.GS1US.org

ABOUT GS1 HEALTHCARE US
GS1 Healthcare US is an industry group that focuses on driving the adoption and implementation of GS1 Standards in the U.S. healthcare industry to 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. www.GS1US.org/healthcare