

press release

Melbourne, October, 2010

Healthy Supply Chain GAINS

Australian supply chain consulting firm GRA is achieving continued success in the pharmaceutical industry, with Clifford Hallam Healthcare Pty Ltd (CH2), Australia's leading wholesaler and distributor of healthcare products and services, joining its list of blue-chip clients. CH2 will begin using GRA's flagship forecasting and planning software, GAINS, later this year.

With revenues of approximately \$800m and over 15,000 products, CH2 is Australia's largest pharmaceutical and medical healthcare service provider. The company's 8,000 plus customers are located throughout Australia in metropolitan, regional and country areas and include public and private hospitals, aged care, primary care and veterinarians.

"Building on existing success in the pharmaceutical wholesale industry, we're looking forward to working with our new client partner to deliver market leading results," said GRA Partner, Carter McNabb.

"GRA's forecasting and planning tool GAINS is the most powerful in its class, and the outstanding results our clients achieve with substantial inventory reductions, reduced operating costs and increased service levels is testament to the tool's ability. With Symbion and now CH2 on board, GAINS is planning and optimising a significant proportion of pharmacy and hospital distribution across Australia," Mr McNabb said.

With significant inventory levels, national supply chains and stringent service level requirements, pharmaceutical wholesalers and distributors are well positioned to achieve sustainable benefits from 'best of breed' GAINS forecasting and inventory optimisation software.

"We selected GRA and GAINS because their track record of delivering results to their clients is impressive. We looked at a number of options in the market and decided that both their planning tool and implementation approach were the best," said Tim Cosgrave, National Procurement Manager for CH2.

"Financial performance and working capital efficiency are important to our shareholders, but customer service levels are critical to our position in the industry. Given our analysis of their experience and capabilities, we felt comfortable that GRA would help us deliver greater financial returns, but at the same time increase service performance to our customers," said Mr Cosgrave.

Since 2001 GRA has been working with Symbion Pharmacy Services (SPS), one of Australia's leading pharmaceutical wholesalers, to deliver enhanced forecasting and planning capabilities. The successful implementation of GAINS software has reduced inventory levels by 26 per cent and increased service levels to 97 per cent. SPS achieved increased return on assets (ROA) and improved supply chain efficiency.

GAINS is a 'best-of-breed' demand, inventory and supply chain planning and optimisation system with unique planning capabilities that enable businesses to optimally balance the 4 C's - Capital, Costs, Capacity and Customer service levels. Providing a powerful, fact based decision support at the strategic, tactical and operational levels, GAINS is a time-tested solution with the proven ability to rapidly deliver results and create additional value within the supply chain.

"On the surface other tools may appear to have similar functions, but GAINS has been developed and proven over the last three decades and is in a class of its own," said Mr McNabb.

"Much of GRA's success comes from our proven methodologies for quickly delivering quantifiable and sustainable improvements in inventory, cost and service level performance. We achieve this by maintaining a highly practical approach to implementation that ensures results are delivered by working closely with our clients."

Profile GRA Pty Ltd:

GRA is Australia's premier specialist supply chain and logistics consulting firm. Founded in 1997, the company offers expert consulting, professional services and advanced planning systems across a broad range of industries throughout the Asia Pacific region.

GRA provides its clients with a competitive advantage by significantly improving margins, asset efficiency and supply chain responsiveness. Work undertaken is at strategic, operational, systems implementation and training/education levels. Using proven methodologies for delivering real working capital, cost and service level improvements, GRA's focus is bringing about real change and sustainable benefits for its clients.



Supply Chain Strategy,
Planning & Execution

GRA's clients include Amcor Fibre Packaging, Australian Defence Forces, Australia Post, Cadbury Schweppes, Cement Australia, Cummins Engine Australia, Fosters Australia, Honda Australia, Hunter Valley Coal, Mitre 10, Nestle Australia, OneSteel, Qantas, Reece, Sara Lee Australia, Super Cheap Auto and Wesfarmers Industrial & Safety (Blackwoods).

Profile CH2:

Clifford Hallam Healthcare Pty Ltd (CH2) is Australia's largest wholesaler and distributor of healthcare products and services to healthcare organisations. It is accredited to the current quality standard ISO 9001:2008.

With branches in each state, CH2 is committed to the ongoing implementation and maintenance of quality customer service and management procedures to ensure the highest possible standards in its delivery of product, back-up service and technical support.

CH2 carries a comprehensive range of medical and surgical products, pharmaceuticals, general hospital consumable items and healthcare equipment.

For further information please contact:

Carter McNabb, GRA Partner

Phone: +61 (0)3 9421 4611

Email: cmcnabb@gra.net.au