

Strategic insight brings saving and efficiencies for The Doctors Laboratory

CLIENT The Doctors Laboratory

SECTOR Medicine

COST CATEGORIES Clinical Waste, Logistics & Archiving

Since being introduced via a mutual connection, Expense Reduction Analysts (ERA) and The Doctors Laboratory (TDL) have worked closely together for over three years.

Led by ERA consultant, St John Rowntree, the partnership has resulted in real-time cost savings and efficiency gains, as well as strategic insight and planning. All of which has enabled TDL to future proof it's operations for the benefit of clients worldwide.

THE CLIENT

The Doctors Laboratory (TDL) is a medically-led laboratory, established in 1987. It is the largest independent provider of clinical laboratory diagnostic services in the UK. TDL provides customers with the laboratory information required for the diagnosis and treatment of medical disorders.

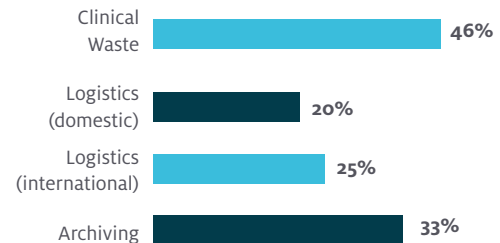
Services include comprehensive, multidisciplinary pathology services, specialist diagnostic analysis for other labs, pathology partnerships with NHS Trusts and support for CRO and pharmaceutical companies. TDL has CPA accredited laboratories throughout the UK, providing pathology services for clinical practice within the UK and other international markets.

PROVIDING CLEAR VISIBILITY ON SPEND

As a laboratory testing facility, collection of samples and delivery of results across the UK is vital. On this note, customers trust TDL for its reliability as well as excellence. To review logistics, St John enlisted the services of ERA logistics specialist, Kevin O'Neill. His 30+ years' experience in the sector enable him to leverage both knowledge and contacts in finding best-fit solutions. Kevin conducted detailed research into the company's operations in order to understand the structure, systems and, crucially, the issues being faced by TDL's team. Throughout the project, Kevin worked alongside Kemal Rajabally, a trusted financial consultant to TDL.

"ERA took great steps to understand and manage the spend which included rationalising suppliers and suggesting improvements to both internal and external processes," said Kemal. "Kevin's experience and knowledge were second to none. His insight into the logistics sector and his understanding of some of the commercial pressures TDL faced ensured that the right solutions were found for both international and domestic shipments."

SUMMARY OF SAVINGS



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I've been impressed with ERA's domain experts. The one's I've met really know their business, these are people who know their specialism in great detail, and they know the market and the suppliers really well. You have to choose suppliers who can help improve quality of the service – not just chase the last pound. And that's definitely where I feel ERA have excelled for us

DAVID BYRNE, CEO

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Following a review of the domestic supply solution a saving in excess of £100k was achieved whilst preserving the goodwill and support of the primary supplier. TDL also requested steps be taken to identify and mitigate any risks in the UK supply chain. In what was very much a joint venture, Kevin undertook thorough risk assessments and created management reports on his findings. A formal contingency plan was then produced to address the potential for disruption to the company's domestic courier network. In addition, ERA assisted in the creation of framework for roles to support the ongoing management of TDL's future logistics department.

SECURING GLOBAL EFFICIENCIES

For international logistics, Kevin thoroughly researched the existing landscape, breaking down each area of spend and giving feedback on potential savings and efficiencies - including identifying and implementing updated courier routes and robust custody chains. TDL had highlighted issues with one supplier in particular and Kevin confirmed that the service had been over-specified. Together with Kemal, ERA guided TDL through the process of challenging the supplier on its processes, terms and charges. Working closely with stakeholders, Kevin recommended several new suppliers and assisted in their evaluation prior to appointment.

Through ongoing quarterly supply audits, ERA continue to analyse international spend, package sizes and routes to ensure the best possible solution remains in place. Kevin highlights further possibilities for savings by managing suppliers in a more effective manner but, as always, service and outcomes for customers take precedence over savings for TDL.

CLINICAL WASTE

TDL is a large producer of medical waste and removal and destruction costs are a large part of the business' overheads. When TDL took possession of its new flagship laboratory in Euston - a ten storey, state of the art building - the Halo, St John selected one of ERA's Waste Management specialists, Pete Bramhall to join the project team. With over a decade of experience, Pete analysed usage and processes to provide savings and efficiencies in the workstream.

"More than just the consultancy it was the delivery of the project in its entirety where we saw real value," says TDL's Head of Procurement and Facilities, Amar Pabari. "Pete did all the legwork and took the headache away from us. He saved us a lot of time which was vital. Considering where we were in the project of moving into the Halo, time was not something we had a lot of! ERA put together requirements document from us and tendered to suitable suppliers. They produced recommendations papers, conducted the initial round of meetings on our behalf and then, after we had met with the final selection, ran a contract negotiation period for us during which they helped with T&Cs and contract reviews prior to implementation.

Now, as a dedicated resource for Amar and his team, Pete and ERA provide high supplier visibility which in turn, leads to a smooth and controlled Waste Management process, achieved at best value.

"I would 100% recommend ERA. One of the great things is always having a single point of contact. I want to be able to pick up the phone to a person rather than an organisation and with Pete, that's exactly what I get," adds Amar. "Moving forwards and since then, ERA has been doing a continual review with our supplier on a monthly basis; this executive summary gives us the peace of mind and transparency over this spend which, at the end of the day, is one of our largest cost centres. We have quarterly reviews with suppliers and Pete acts as gatekeeper, feeding back both ways to facilitate resolutions on any issues and deliver on any of TDL's requirements."

As testament to the strong relationship in place and the value of monthly audit reports, quarterly reviews and supplier management provided, ERA was asked to submit a proposal for long-term support and ongoing consultancy services to TDL in respect of Waste Management.

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The consolidation of operations from multiple sites to our new flagship laboratory meant that our overhead base had changed. However, we were still very busy and had little bandwidth to undertake work on managing this ourselves. It's been a good use of my time, with due diligence and analysis conducted by ERA and our managers prior to a recommendation report being delivered for my approval.

DAVID BYRNE, CEO

ADDED VALUE

- Improved supplier relationships
- Enhanced visibility and control of spend
- Additional insight into logistics supply chain
- Contingency planning to protect against logistics disruption
- Strengthened positions for future renewals
- Independent and objective market reviews