

Sanofi consolidates distribution in Brazil together with DHL

11-12-2016

DHL Supply Chain, the contract logistics specialist within Deutsche Post DHL Group, consolidated the logistics operations of three Sanofi divisions in Brazil by establishing a new distribution center in Guarulhos, near São Paulo.

DHL Supply Chain, the contract logistics specialist within Deutsche Post DHL Group, consolidated the logistics operations of three Sanofi divisions in Brazil by establishing a new distribution center in Guarulhos, near São Paulo. The project, initiated by Sanofi in 2014, covers all portfolios of Sanofi, Sanofi Pasteur and Medley Brazil. In addition to the operation of the newly installed logistics center, Sanofi redesigned its distribution networks for the complete Brazilian market and the corresponding export processes. The development of the new site means investments of 200 million Euros between 2015 and 2020. Already today, it is one of the largest distribution centers of Sanofi worldwide and the largest operated by DHL in Brazil for the healthcare sector.

Guarulhos was chosen as the ideal location due to its proximity to Sanofi's industrial plants, large consumer centers and main logistical hubs of the country such as the Port of Santos. With 36,000 square meters of fully air-conditioned storage area and almost 50,000 pallet positions, DHL's [Distribution Center](#) has increased Sanofi's daily shipping capacity significantly, especially with regards to operations of cold chain processes. Thereby ensuring speed, quality and safety for all steps along the supply chain.

"The objective of this project was to simplify and enhance Sanofi's storage operations and distribution network in Brazil. Consolidating these operations into a single distribution

center has enabled us to foster synergies and streamline the entire process," says Javier Bilbao, CEO DHL Supply Chain Brazil.

Rodrigo Alpointi, Supply Chain Director at Sanofi Brazil, points out that the consolidation allowed greater efficiency in the delivery of products to distributors and, consequently, to the points of sale and patients. "Previously, Sanofi and Medley had independent logistics operations even though they shared about 70 percent of their customers," he says. The project is in line with Sanofi's global strategy to strengthen its presence in emerging markets.

Healthcare products are often very delicate and their intactness must be ensured without jeopardizing the costs of operating the new site. At the Guarulhos's distribution center, the latest technologies and best practices in the distribution and storage of pharmaceuticals are applied and already decrease operating costs by 30 percent. Sanofi's order software, which adjusts and distributes the orders in closed boxes to their end customers, reduced the amount of packaging damage incidents by 35 percent.

DHL's extended experience was crucial for re-designing the new distribution center and streamlining processes. Additionally, DHL was responsible for choosing the most suitable equipment for the project and establishing security and stability. For this operational testing and risk assessments are performed prior to every execution.

Source: Deutsche Post DHL

