



## COVID-19

Seen through the glasses of world opinion leaders of the Life Science and MedTech industry together with experts of the airfreight industry





## Introduction

**Pharma.Aero** as an industry initiative aims to achieve excellence in reliable end-to-end air transportation for pharma shippers, by fostering collaboration between CEIV certified airport communities dedicated in developing and pioneering when it comes to handling, storage and air transportation of pharmaceuticals. In view of the current COVID-19 pandemic, Pharma.Aero is organising a series of three webinars, in collaboration with STAT Trade Times. The purpose is to bring together the various stakeholders across the air cargo industry and the logistics and supply chain leaders of global pharmaceutical companies. Each webinar features rapid fire presentations, where opinion leaders will set the scene and share their perspectives. This will be followed by a moderated round table discussion, where experts of the industry give their response to the earlier presentations and open up discussion with the opinion leaders and the audience.

For the first webinar themed ***Current impact of COVID-19 on Life Science and MedTech Sector Airfreight***, knock-on impacts of COVID-19 on the air cargo supply chain for healthcare and MedTech industries were discussed. The webinar zoomed in on the current impact of COVID-19 on Life Science & MedTech Airfreight Industry, action plans employed by pharma shippers to find capacity, as well as Post-COVID new norms for the air cargo pharma supply chain.

## The initial COVID-19 impact on the air cargo pharma supply chain

Due to an almost standstill of passenger aircraft movements globally, the available airfreight capacity has dramatically been reduced, causing heavy disruptions to the Life Science and MedTech supply chains. The moderator of the webinars, **Frank Van Gelder**, Secretary General, **Pharma.Aero**, kick-started the webinar by sharing that the full impact of COVID-19 on the supply chain is still unknown. However, it is certain that its global economic and financial effects will be felt through the global supply chains. The crisis is also likely to create a new normality.



## The Perspectives: word by the opinion leaders

**Eddy Weygaerts**, Senior Manager Logistic Delivery and External Supplies, **Pfizer** and Director in the Board of Directors of **Pharma.Aero**, kicked-off the session by stating that none of us knows the fate of many airlines and what their network would be when coming out of this situation. The current focus by pharma companies are ensuring continuous product supply worldwide and the usual supply chain approaches might no longer be relevant in the current context. Instead, pharma companies should adopt a more pragmatic and direct solution approach with airlines.





# The Perspectives: word by the opinion leaders

**Steven Polmans**, Director, Cargo and Logistics, **Brussels Airport Company** and Chairman, **The International Air Cargo Association (TIACA)**, highlighted that in the recent weeks, the airfreight industry has become vulnerable. When comparing airfreight to sea freight, the impact and its economic consequences vary due to a totally different business model and propositions. Weaknesses of the industry have also become more visible during the crisis. Community approach and flexibility to identify the necessary changes required to overcome the current crisis are crucial to meet the new normal. Steven highlighted the criticality to keep air cargo moving and that the aviation industry needs to keep this high on its agenda.



**Jeroen Janssens**, Senior Manager, Vaccine Distribution and Cold Chain, **GSK Vaccines**, shared that in mitigating the supply chain disruptions, they are considering airlines which were not their regular partners Pre-COVID to plug the capacity gaps. At the beginning of the crisis, GSK has aligned its processes with all their airline partners to ensure strictly that minimum requirements are to be fulfilled and respected. During the crisis, they have also set up very specific cargo lanes to achieve some certainty. More advanced high-performance passive solutions are adopted during this period. Jeroen also shared that setting up new regional distribution centres located closer to the markets by pharma manufacturers could be one of the future risk mitigation measures.



## The Perspectives: word by the opinion leaders

**Mathijs Luts**, Global Supply Chain Director, **Abbott**, highlighted the issue of product quality. Mathijs shared his frustration that there are companies making PPEs trying to gain easy profit by compromising product quality. More important than ever, standardisation and harmonization, with control over quality and traceability of the products, is recommended. In addition, Abbott is considering different strategies to identify the number of touch points for a product to reach from Point A to B.



## The Debate: a word by the industry experts

**Bruno Guella**, Treasurer of **Pharma.Aero** and Managing Director of **Montevideo Free Airport**, opined that the challenges pharma shippers face today would bring about new and out-of-the-box solutions. Flexibility is the key to success. Faced with the massive supply chain disruptions, Pharma shippers should quickly re-establish a new and interim supply chain network during this dynamic period by developing alternatives, yet without compromising their standards and requirements. .



# The Debate: a word by the industry experts

**Andy Faes**, Regional Manager, Healthcare Vertical Europe, **Expeditors**, spoke about the challenges of product quality and the new framework for EU Medical Device Regulation (MDR), especially on MDR postponement due to COVID-19. Although the go-live is planned for 2021, companies such as Abbott underlined that product quality makes the difference and that it is of pivotal importance to keep high standards of quality. The change management process within the life science and MedTech companies focuses now on returning to the core and getting the supply chain and airfreight logistics quality process under control.



## Summary

The key takeaways from the first webinar is that within the different pharmaceutical companies, supply chains are currently under revision and new cargo network have been forged to tide through the pandemic. **Nathan De Valck**, Chairman **Pharma.Aero** and Head of Cargo of Product and Network Development, **Brussels Airport Company**, summarized that being agile and flexible is key during this crisis, as well as for the future. Listening to our Life Science and MedTech customers is more central than ever before and will help the stakeholders of our airfreight industry to be prepared for the new normality.





Air cargo is facing more risks than ever before as an industry. Winners within the airfreight industry who will survive this crisis will be the ones who take the lead in re-thinking alongside with their life science and MedTech customers their services and thinking out of the box to improve the current situation. A wider collaboration between pharmaceutical shippers, airport communities and regulatory bodies is no longer a good-to-have, but a must-have.

All in all, key success factors to ride out the crisis will be community collaboration, flexibility, transparency and harmonization of standards. In the following webinars, we will further examine how we could enable closer community collaboration. Short-term and long-term impact of COVID-19 on the air cargo supply chain for healthcare and MedTech industries will continue to be analysed.

**Recording available at**

[https://www.youtube.com/watch?v=9QomB8D-lP8&trk=organization-update-content\\_share-video-embed\\_share-article\\_title](https://www.youtube.com/watch?v=9QomB8D-lP8&trk=organization-update-content_share-video-embed_share-article_title)



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