



Revolutionizing Materials and Inventory Management: How the Right Strategic Logistics Partner Maximizes Hospital Efficiency and Enhances Patient Care

In the ever-evolving healthcare field, hospitals and other healthcare organizations face the daunting task of ensuring that day-to-day operations support the delivery of exemplary patient care. Hospitals must adapt in the face of increasing patient volume, supply and labor costs, and evolving medical technologies, to support nursing and patient satisfaction. At the same time, these organizations often face financial constraints, making it essential to balance service quality with cost efficiency.

These challenges are very apparent in healthcare materials management and distribution operations. Hospital clinicians require access to vital materials and supplies, which is often complicated by inventory tracking challenges, unique storage requirements and strict compliance with expiration dates. Suppliers can disrupt the hospital supply chain when they fail to meet expectations. It is daunting for materials distribution teams to keep track of thousands of inventory items used each day. At the same time, hospitals also need to ensure that supplies are not only in stock, but in the right place for clinical staff to use when they are needed. Canon's approach includes improving the inventory methodology based on discussions with the nurses and nurse managers accessing the supplies. Our teams value their input and align it with their daily needs for inventory accessibility and efficient communication flow.

To address these challenges and streamline operations, many hospitals and healthcare organizations are turning to strategic logistics partners for hospital inventory control and materials distribution to revolutionize their organization's approach to simplify and de-risk their operations.

Reshaping Hospital Inventory Management for Flexibility, Scalability and Cost Savings

As hospitals supply chain grows, materials and supply inventory management becomes more intricate. Inventory must be kept at the right level to meet demand. It is vital that nurses have immediate access to critical supplies that they need. Unavailable inventory and supplies can result in crucial minutes being lost for care. However, managing inventory while navigating rotating staff schedules, absences, and supplier relationships is complex. The right logistics services partner is strategic and will relieve the burden of staffing, training and staff accountability from the hospital's supply chain leadership. It will provide the flexibility to scale staffing based on your needs, whether you're expanding into new locations, new practice areas or a new warehouse space, or experiencing fluctuations in patient census.

By entrusting materials and medical inventory management to experts, you eliminate the need to invest in specialized personnel, training, process development and subject matter experts. Inventory management services partners track and manage inventory, its data, and inventory expirations and recalls, resulting in cost savings and lower risk for your organization. And a true materials and inventory partner integrates with your existing systems while optimizing inventory levels, reducing waste, risk and cutting additional costs.

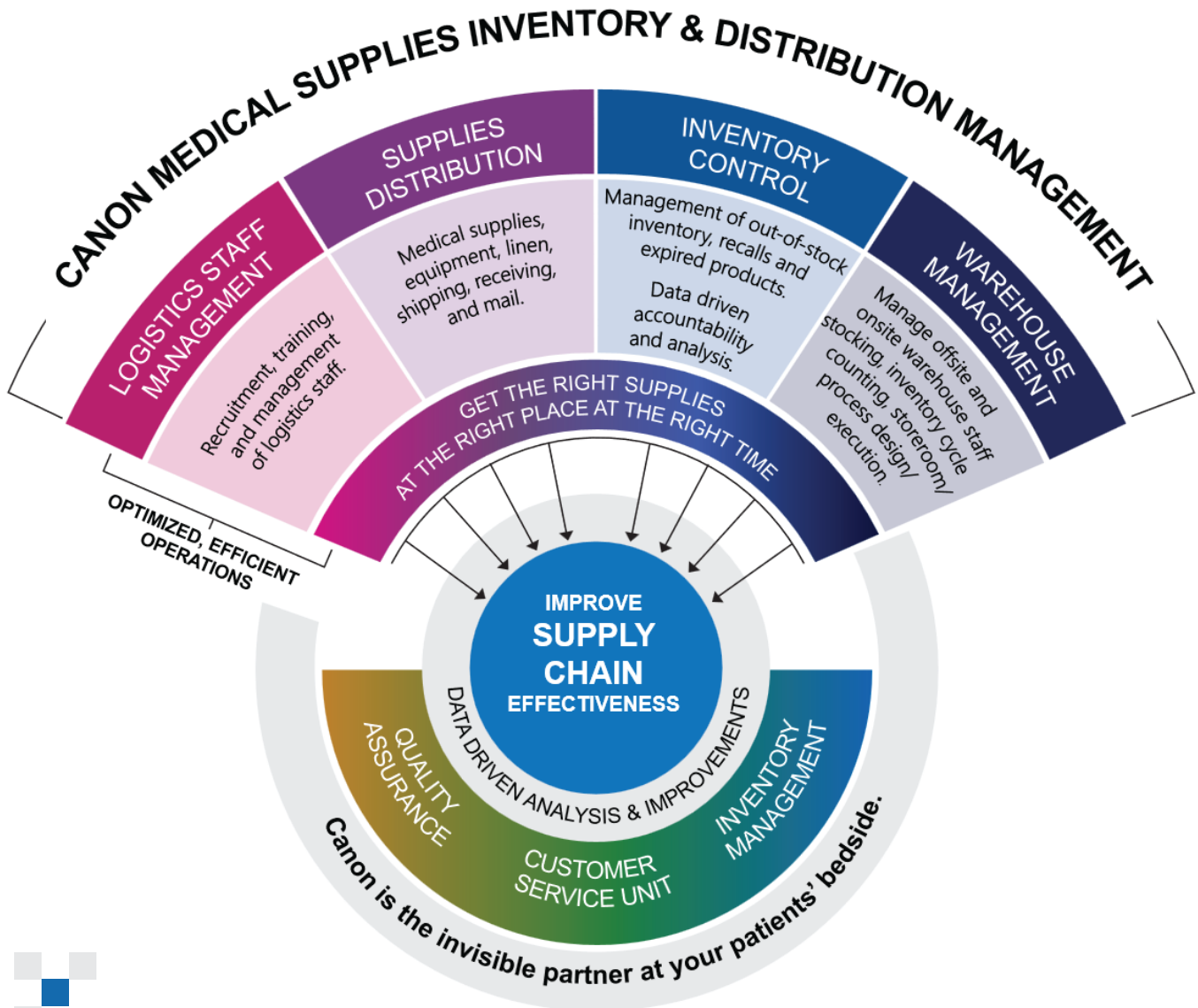


One of the nation's top children's hospitals realized these savings firsthand. By refining workflows to maximum efficiency and reorganizing supply storage, Canon revolutionized the hospital's materials distribution operation at each site it supported. In a small example, Canon reduced inventory levels, freeing up storage space for the single category of endoscopic mechanical items in the OR, cutting costs by over \$40,000.

Mitigating Risks and Ensuring Compliance

When managing supplies and inventory in-house, hospitals assume extra risk outside of healthcare – such as fluctuations in demand, supplier disruptions, market uncertainties and changing regulations. The right strategic logistics and distribution partner helps mitigate the risk and helps deliver improved operational continuity. These experts can evaluate your internal processes to identify improvements and reduce cycle time by integrating best practices. The right strategic logistics and supplies distribution partner can integrate closely with your suppliers, leading to improved communication and better-operating results, better lead times and greater supply chain management efficiency.

Inventory and materials management partners like Canon are also well-versed in healthcare industry regulations and compliance standards. By partnering with these experts, you ensure your materials and inventory management processes adhere to JCAHO and other guidelines, minimizing reputational and financial risks.



Refocusing on Core Competencies: Elevating Patient Care

A hospital's ability to serve patients is directly tied to proper materials and inventory management. Stockouts of emergency medical equipment, for example, can impede patient health, leading to decreased quality of care ratings for healthcare facilities. Partnering with a strategic logistics and supplies distribution partner for inventory management allows you to tap into a wealth of knowledge and best practices to manage your inventory more efficiently. Having the right management structure in place, combined with employee training programs dedicated to supply chain and inventory management, help ensure the proper support and training for the job at hand.

Experienced partners like Canon leverage your inventory management systems and data analytics to optimize your healthcare supply chain. From demand forecasting to storage and distribution, these tools provide valuable insights to inform decision-making, reduce waste, and enhance visibility across all systems and facilities.

A nationally ranked hospital partnered with Canon to reevaluate its data tracking, inventory management and logistics employee development. With Canon's Kanban inventory systems and point-of-use storage model, the hospital reduced processing times, gleaned important business insights and gained greater scheduling flexibility. As the flow of critical medical supplies improved, hospital staff were empowered to refocus on delivering exemplary patient care.

A Trusted Materials and Inventory Management Partner

From cost savings and enhanced efficiency to risk mitigation and regulatory compliance, the advantages of choosing the right strategic partner for materials and inventory management are far-reaching. Finding a partner to support these critical functions is becoming not just a strategic choice but a vital one to enable healthcare providers to thrive.

Contact us to learn how Canon's Medical Supplies and Distribution Solutions can help your hospital or healthcare network.

About Canon Business Process Services

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