

SUPPLY CHAIN NEWS

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Transportation Update

Cardinal Health has been providing weekly updates as to the health of the transportation industry. *Source: Global Trade.* I am sharing this with you to help provide insight and confirm what many of us are seeing and reading in the news.

This week's update:

- 79 container ships are waiting outside LA and Long Beach Ports, average anchorage to berth wait time is **13 days**
- Estimated \$26Billion worth of cargo stuck on these ships
- System is further taxed by high volume of retail sales and expected to worsen with holidays
- Resurgence of fuel surcharges are expected
- Air Freight rates are exceptionally high with limited capacity
- Air Market Demand is the same as Ocean Market Demand – RED zone – demand has exceeded available capacity

Current Market Challenges

Vizient, our group purchasing organization that UTMC is a member of, also supplies us with monthly updates as to Supply Chain Market topics that assist our purchasing team in understanding upcoming challenges with availability of product and potential cost increases.

Semiconductor shortages – expected to continue into 2022. Chip supply chains must diversify to decrease the reliance from the Asia Pacific region.

Syringes (prefilled/safety) – many of the vendors are on allocation, some are attempting to expand capacity, but this item will have short term challenges.

Surgical gloves – supply disruption and constraints will go well into 2022 – full recovery is anticipated in the next 12 months.

Textiles – raw materials, transportation issues are impacting the cost of manufacturing reusable textiles. (Price of cotton has risen 19% over previous month). Not expected to stabilize until mid-2022.

Crutches – raw material and shipping challenges led to constrained supply expected to return to healthy levels by early 2022

EXPIRED PRODUCTS

The inventory team is in the process of completing the **'YELLOW'** sticker project throughout all par locations. Yellow signifies the item within the bin has an expiration date.



SUBSTITUTIONS

What does **MBONR** stand for? **Manufacturer Back Order with NO Release** date is occurring more frequently. This means supply chain immediately begins working to identify alternative sources of supplies as this type of product disruption typically lasts for months.

Date of recovery is being added to each of the substitute items to help teams understand the length of the situation.

Saline Syringes, 10ML

Existing LAWSON SKU: 86856
SUB SKU: 91004

Clinical Difference: None

Different vendor (B. Braun), similar item, different packaging

You may see both manufacturers syringes in play due to availability of supply.

Date of recovery: TBD- on allocation

External Male Catheter

Existing LAWSON SKU: 87315
SUB SKU: 91005

Clinical Difference: 23mm vs. 25 mm

Different vendor (Coloplast vs CR Bard), similar item, adhesive may be slightly different

Date of recovery: 12/7/2021

Blood Collection Tube update

Increased demand due to rise in hospitalizations, transportation challenges, and raw material and component delays continue to plague BD and Greiner (top 2 suppliers for blood tubes)

BD is advancing the set up of a new green top tube line (expected to be up and running in next 3-5 months) to increase capacity.

High usage tubes will remain on allocation into first quarter of 2022.

UTMC will continue to deploy conservation strategies until such time supply returns to healthy levels.

Weekly, supply chain issues purchase orders to grab our allocation and anything additional that distributors have available to sell to us.

A daily report out of tube inventory is provided by the laboratory team to keep everyone apprised as to where supply stands.

Blood Collection Sets

21, 23 and 25 Gauge

Existing LAWSON SKUS: 88140, 88141, 88142
SUB SKU:

Clinical Differences: None.

Packaging is different.

Date of Recovery: 12/10/21

**This may become an item that lab will centrally manage

Nebulizer

Existing LAWSON SKU: 89351
SUB SKU: 91003

Clinical Differences: same item but will need to add 6" of tubing to equal how the item is packaged today

Date of recovery: November 2021

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Date of recovery: January 2022



Meeting held week of 10/18/21 with the local Fed Ex account management team to discuss the state of the staffing shortage and delivery of our parcels. We are beginning to see more timely arrivals and we are contacting rep for assistance as needed.

SPECIAL NOTE: FedEx is predicting historic records for shipping volume for the holiday season (11/1/21 to 1/1/22). Commit times have now been adjusted for First Overnight and Priority Overnight. Please make note:

M-F First Overnight - + 90 minutes

Priority Overnight - + 60 minutes

**UPDATE: Foley Tray, 16 F
Urine meter/Statlock**

LATEX Tray with Urine meter and Central Distribution will be attaching the Statlock device.



11/8/21 we are pulling all of the NON-LATEX trays from locations and replacing them with LATEX trays.

For those patients with LATEX sensitivity, an order can be placed online at the UTMCM Supply request webpage for a NON-LATEX tray.

SUPPLY CHAIN MANAGEMENT

UTMC SUPPLY REQUEST

Central Issue
 Material Issue

To search for material, use CTRL F and enter material description in the **Material** field and click on **Find**. It will take you to anything that matches the word used.

Material - Inventory Tree

Due to supply disruption of our regular size 160 (160) trousers with standard and extraordinary effects (L1602) all size 160 trousers are being produced and will be centrally stored for future delivery pattern need. L160 trousers will be available in all locations. To initiate a new lease buy, fill out the form on the left.

Related SAP Number **Reservation Name** **Reservation Phone Number** **...**

...

...

Building **Issue Number** **Quantity** **Units** **...**

S. Langer 160 **UTMC** **...**

... **...** **...** **...** **...**

Date of recovery: **MBONR**

Recovering Markets

Some **good** news – there are some markets that are beginning to see stabilization:

- Facial protection
- Sterilization wraps
- Surgical non-wovens
- Exam gloves

