Capitol Wholesale Drug Company | Powered by VAI

VAI
INDUSTRY ERP
WITHOUT LIMITS

The Company

Founded in 1950 and located in historical Grandview Heights, a suburb of Columbus, Ohio, Capital Drug is a privately held national pharmaceutical distributor founded by George D. Richards, RPh. The company is based in the storied Grandview Heights suburb of Columbus, Ohio. The Richard family has expanded Capital Drug over three generations to become a nationwide Authorized Trading Partner that ships to 48 states. Hospitals, long-term care facilities, government organizations, 340b pharmacies, independent retail pharmacies, and numerous GPOs are among the clients of Capital Drug.

Industry
Wholesale Distribution, Pharmaceutical, Non-Durable Goods

Requirements
Pharma ERP, WMS, eCommerce, License Management and Compliance

The Solution

Compliance—not just from the government but also from clients and independent vendors conducting site surveys—remains the company's largest external concern. Capital Drug is constantly required to provide documentation and proof to various parties demonstrating they are abiding and meeting all obligations.

In addition to having access to more data, the company's search for an ERP system was highly specific to the pharmaceutical sector, as it needed to comply with regulations set forth by the FDA, DEA, and various state boards of pharmacies, including those pertaining to licensing. Prior to allowing an order to leave their warehouse, Capital Drug would check to make sure everything matched before printing the order.

The clinical trial industry is one of the company's business niches. They want to be dating or lot-specific when they enter the clinical trial space. It is crucial that they can locate those lots, count the number of distinct lots they have available, and make targeted selections. A customer will contact them and say they are seeking a specific item, but they need three units from three distinct lots. These lots cannot be, for example, lot A, lot B, or lot C, nor can they have dating A, B, or

C. Capital Drug can pick what is required using VAI S2K.

The VAI system is integrated with the customer portal to provide real-time price and inventory updates. Customer service manager Eric Artemus noted, "Those are things that we didn't have before VAI because there was always a delay. We had two databases: one contained the items from our system, and the other had everything from the web portfolio. We had to wait for things to update after making a modification. That might have taken ten minutes or thirty minutes—we never knew. Since the two of them are linked in a single database, everything happens instantly."

If a customer has something in their cart and they're waiting to place that order, but they've not hit submit, that product gets sold out on another order. When they go to hit submit, it refreshes and shows them exactly what's left. They'll know whether they'll receive the item or whether it will go on back order. Capital Drug did not have that functionality before VAI S2K, and it's been a major saver for the company. Continued Artemus, "We've picked up so many efficiencies and we've had more time to do analysis. That's something we've never done before."

The Solution continued:

Capital Drug has achieved a more accurate inventory thanks to VAI S2K. Based on the bin that they assigned those products to when they were received and stored, the company knows precisely where those items should be. Because the data in the system is correct, inventory management runs much more smoothly and helps the business process inventory more quickly.

Said Lorrie Hurst, warehouse compliance specialist, "We're able to receive electronic shipment notifications which helps a lot because many times when packing slips go missing, we have that backup data that is in the system. This helps increase the flow of the product through receiving, which in turn helps us get the product quicker to the customer."

When a compliance issue is detected by the S2K software, Capital Drug can immediately quarantine the item in question and take the required action to address it, which is considerably more quickly than they could before the VAI System. Continued Hurst, "S2K has made the picking process much more efficient. From start to finish, our whole warehouse is very interconnected. So, the quicker we can receive this, the quicker we can put it away, means the quicker we can pick it."

The picking process is drastically improved with S2K. Pickers can go directly to a bin and pick up the item needed, and then it flows down to Capital Drug's shipping department.

The deployment of S2K WMS has been a great benefit to Capital Drug, as the system's accuracy has increased. When a recall occurs, for instance, it is considerably easier to determine whether the company has the recalled product and whether any of their clients had gotten that item and lot. Capital Drug can then take the appropriate actions to obtain that item for that recall.

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> – Lorrie Hurst, Warehouse Compliance Specialist, Capital Wholesale Drug Company

The Results

With the implementation of VAI's Pharma ERP solution, managers throughout the entire company are spending less time keying data manually. On the other side, the ability to pull information out and create reports is greatly expanded. "Throughout the company, everyone is more efficient and doing more to create business and less with maintaining the system," said George K. Richards, president of Capital Drug. "We're able to look for changes and enhancements and know that we're no longer boxed in by old parameters. We now have an open system that we're going to be able to grow with."

Since the launch, Capital Wholesale Drugs Co. has been using VAI's ERP software to:

- Achieve real-time price and inventory updates
- Run accurate inventory and perform analysis
- Improve the picking process
- Deliver products to customers faster
- Achieve growth, today and in the future