

# A STUDY IN SUCCESS

## RR Donnelley Case Study

RR Donnelley Global Turnkey Solutions helps reduce the costs of collecting blood for independent community blood center network.

### Background

Our client, Group Services for America's Blood Centers (GSABC), provides group services to the largest network of non-profit, community blood centers in North America. The U.S. Food and Drug Administration (FDA) licenses and regulates U.S. members. Health Canada regulates Canadian members. The blood centers serve more than 180 million people at 600-plus collection sites, providing blood products and services to more than 4,200 hospitals and healthcare facilities across North America.

### Challenge

Tasked with group purchasing responsibilities, GSABC's broad objective was to provide value-added services to its 78 member blood centers, which faced increasing cost pressures. These came from FDA mandates requiring additional tests to assure a safe blood supply and the inability to pass the costs along to hospitals that were also experiencing price pressures.

Specific challenges included:

- Need to reduce operating expenses within the supply chain
- Desire to better aggregate 78 independently functioning blood centers to achieve better economies of scale
  - Sourcing and procurement of product components
  - Quality assurance program management that addressed regulatory compliance issues, including maintaining a Device History Record (DHR) and Device Master Record (DMR)
  - Order entry system development for accepting orders directly from the sales force or

hospitals and providing the pick, pack and fulfillment services required to deliver finished goods

- EtO sterilization sub-contractor and associated testing laboratories management
- Process and software validation
- Warehousing and inventory management
- Marketing collateral, product literature and promotional premiums, production and fulfillment management

### Solution

The RR Donnelley Global Turnkey Solutions team studied the end-to-end process and developed a comprehensive solution to drive efficiencies not only in purchasing, but also across the entire supply chain. The solution included:

#### Project management

- Design of individual donor kits including bill of materials (BOM), packaging and labeling
- Standardization of components to reduce costs
- Design and development of a beta test to create a cost baseline for comparing future outcomes
- Proposed design of additional kits to drive further efficiencies

#### Kitting and assembly of individual donor kits

- Implemented lean-manufacturing processes
- Significantly reduced component touch rate
- Improved replenishment process within centers and mobile operations
- Developed process to increase donor throughput, which allowed technicians to spend more time with donors

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## Procurement

- Purchased all kit components
- Centralized function at RR Donnelley Global Turnkey Solutions to bring greater economies of scale

## Fulfillment and distribution

- Developed IT solution for real-time visibility and better business intelligence
- Provided easier tracking and traceability through a single lot number versus tracking each component
- Centralized shipments from multiple suppliers into one warehouse

## Benefits

“RR Donnelley Global Turnkey Solutions’ ability to manage hundreds of suppliers internationally will help us achieve consolidation, standardization and significantly reduce costs associated with material usage. More importantly, their experience and understanding of quality and compliance issues in our business was a determining factor in our decision to work with RR Donnelley Global Turnkey Solutions. Blood banking is highly-regulated by the FDA, and they have the necessary supplier quality-control systems in place,” said Jerry Haarmann, President, Group Services for America’s Blood Centers.



RR Donnelley Global Turnkey Solutions Plover, Wisconsin facility

## Results

Although implementation is still in the initial stages, GSABC is already experiencing improved operating and purchasing efficiencies. Our lean manufacturing and centralized purchasing are also reducing costs and helping this vital organization cope with rising costs that cannot be fully passed along to their customers.



RR Donnelley Global Turnkey Solutions Plover, Wisconsin facility

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**RR DONNELLEY**

Corporate Headquarters  
111 South Wacker Drive  
Chicago, IL 60606-4301  
U.S.A.

**800.742.4455**  
[www.rrdonnelley.com](http://www.rrdonnelley.com)

GTS Case Study 002 1.2009  
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