1. 請將下列英語短文之最後一段，即 “CPDN supplied approximately $300 million ...if they desired.” 翻譯成中文（佔 30 分）

2. 就本文說明 CPDN 在此研究個案中所扮演的角色及所提供的服務。（佔 30 分）

3. 試從 CPDN 的業務需求觀點，論述 CPDN 與 UPS 之間的伙伴關係可能發生了那些問題？假若你（你）為 Peter Bromley，試提出一份簡易的改善計畫（佔 40 分）

Peter Bromley, the newly appointed general manager of operations for UPS Logistics Group Canada Limited (UPS Logistics), sat in front of his laptop in his office in Oakville, Ontario, preparing for the meeting on Friday, August 10th, with the operations committee for the Canadian Pharmaceutical Distribution Network (CPDN). UPS Logistics managed CPDN’s product distribution activities for Eastern Canada, and Terry Rooney, CPDN’s president, was concerned that the current performance measurement system did not provide him with value-added information. It was late Wednesday afternoon and Peter needed to establish a set of key performance indicators for CPDN’s distribution operations to review at the meeting.

CPDN

CPDN was an association of pharmaceutical manufacturers that jointly provided distribution of their products to Canadian hospital pharmacies. Five years earlier, several large pharmaceutical companies recognized two important trends in the market. First, hospitals were largely organized into buying groups and were aggressively seeking cost reductions from their suppliers. Second, distributors were taking an increasing portion of the hospital pharmacy market share, separating the pharmaceutical manufacturers from their traditional customers, the hospital pharmacist and doctor.

To address these challenges, a small group of pharmaceutical manufacturers decided to establish a source of consolidated supply owned and operated by the pharmaceutical companies. After a successful pilot test, CPDN was founded, supported by an initiative of Actavis Pharma Inc., Bristol-Myers-Squibb Canada and Glaxo Wellcome Inc. These three companies were the shareholders of CPDN, while approximately 24 other pharmaceutical companies joined as associates. The pharmaceutical companies that used CPDN’s services (e.g., shareholders and associates) were collectively referred to as “members.”

CPDN provided integrated order management and distribution services, to its members — providing a single point of contact for the hospital pharmacy managers. For convenience to the hospitals, orders were placed through an integrated catalogue and consolidated into a single invoice. This approach eliminated the need for hospital pharmacists to deal with multiple suppliers, allowed customers to make a single payment and provided a single location for product returns. CPDN processed payments to the pharmaceutical manufacturers and administered the product return activities. The individual pharmaceutical companies owned inventories maintained in the CPDN warehouse. The CPDN members paid an annual fee and also paid their share of the monthly distribution costs.

CPDN supplied approximately $300 million of pharmaceutical products to Canadian hospitals each year, which represented approximately 20 per cent of the market. Terry Rooney, CPDN’s president, had a small staff that was responsible for hospital and member relationship management. Product distribution — including the order desk, warehousing, inventory control, picking and packing, transportation and accounts receivable management — was outsourced. Medis Health and Pharmaceutical Services Inc. handled distribution in Western Canada, while UPS Logistics was responsible for Eastern Canada. Shipping volumes were approximately 23,000 lines per month in Western Canada and 10,000 lines per month in Eastern Canada. While approximately 550 hospitals across Canada purchased pharmaceutical products from CPDN each month, these customers could order directly from the pharmaceutical manufacturers if they desired.