

Foreign trade zone expedites speed to market for biopharma company

ICS's innovative use of foreign trade zone (FTZ) special provisions revolutionized the market entry for a life-changing treatment.

The situation



An emerging biopharmaceutical company – focused on developing and commercializing novel treatment options for people living with rare diseases – manufactures its breakthrough treatment in Europe. As a result, the treatment requires approval from the Food and Drug Administration (FDA) before being distributed in the U.S. to patients.

In anticipation of FDA approval, the company sought out a pharmaceutical third-party logistics (3PL) provider that could not only hold the non-FDA approved product in the U.S., but also move quickly into distribution.

What is an FTZ?

An FTZ is a designated area near a port of entry. In this location, goods can be stored, manipulated, or used in manufacturing without immediate customs duties, offering flexibility and cost savings in international trade.

The solution



Working with this biopharmaceutical company and their FTZ consultant, ICS quickly tailored and implemented a logistics plan. The ICS team worked with U.S. Customs to import the treatment into the FTZ at ICS's Ohio Distribution Center, where it could be prepared for immediate distribution with the U.S. market. ICS worked prior to FDA approval to ensure all processes, guidelines, and departments were aligned to begin shipping out orders as soon as approval was given.

Multiple ICS departments – customer service, distribution center associates, account management, labeling and packing associates, and more – worked around the clock to prepare for this launch. Because of the hard work of all ICS associates involved, the launch went smoothly and seamlessly, exceeding the client's expectations.

While it normally could take 30 to 90 days to get a product to market after FDA approval, ICS's FTZ capability enabled the shipment of the treatment to the packager as soon as 24 to 48 hours after receiving the approval letter. The speed-to-market time after approval demonstrated ICS's efficiency and ability to effectively manage a launch.

By partnering with ICS, clients can access the benefits of using FTZs, including:

- **Cash flow improvement:** Duties are paid once goods leave the FTZ, therefore, businesses can improve their cash flow by keeping inventory in the FTZ.
- **Efficient operations:** ICS can handle storage, assembly, repackaging, and other operations within the FTZ. This allows businesses to streamline their supply chain processes.
- **Regulatory compliance:** ICS's expertise in handling regulatory requirements can help ensure compliance with FTZ regulations and procedures.
- **Inventory management:** Goods in an FTZ can be tracked easily, improving inventory management.

The outcome

As a result of this successful product launch, the company is expanding their relationship with ICS to include serialization services. Working with a proven 3PL has enabled the biopharmaceutical innovator to deploy a supply chain strategy the company calls "seamless and easy."

24 to 48 hours

Time to market upon
FDA approval

cencora

ICS

ICS is the model of excellence in global healthcare logistics

Since 1997, ICS has partnered with pharmaceutical manufacturers to deliver customized healthcare logistics solutions that improve the quality and efficiency of your supply chains. We have organically grown to become the recognized industry leader in outsourced logistics and distribution services.

With our expertise and the global capabilities of Cencora, we bring proven and innovative solutions that deliver results. By starting with a consultative approach, we tailor your logistics strategy to your business goals and patients' needs.

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