# Leonora Lim – VP, Life Sciences & Healthcare, Customer Solutions & Innovation, Asia Pacific, DHL



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*Leonora Lim, DHL's Asia-Pacific VP for Life Sciences and Healthcare, Customer Solutions & Innovation, dives into the industry's challenges during the pandemic, the continuing importance of Singapore as a regional hub, DHL's multi-billion-dollar investment in digitalization, and why she believes that the industry will never go back to the way it was before.*

**It has been four years since PharmaBoardroom last spoke to you. Can you begin by reintroducing our audience to your role as VP of Life Sciences and Healthcare for DHL Customer Solutions and Innovation Asia-Pacific (APAC)?**

I have been in this role for the last five years and look after the commercial development of the life sciences sector for DHL in APAC. For us, life sciences refers to the entire value chain, from drug discovery to clinical trials, drug and medical devices commercialisation, and all the way to market distribution. I have the overall view from across all the business units in DHL, namely, Global Forwarding, Supply chain, Express and eCommerce Solutions. The markets we oversee include 14 countries, from China, Japan, India, and all the way down to Australia and New Zealand.



**Earlier this year, when we spoke with Larry St Onge, DHL's President for Life Sciences and Healthcare, he called COVID-19 perhaps the greatest logistical challenge the sector has ever faced. To what extent has this been your experience managing the APAC region?**

I agree with Larry, it is definitely unprecedented. We have never seen such a situation before where the entire globe is affected, where flights have to be cancelled, countries locked down, operations stopped and people's movements restricted. It has caused plenty of supply chain issues for both our clients and for us as logistics service providers. Among those issues, vaccine distribution is in a league of its own since, normally, vaccines take 10 to 15 years to develop but researchers and the industry accelerated the process to 12-18 months. The scale of the vaccine distribution effort is massive.

We learned that the world moves around two to three billion doses of vaccines per year, but the number would increase fivefold in order to achieve global herd immunity, with two doses for 70 percent of the world population. Another challenge is that some vaccines have to be transported at very low temperatures and, with all these accelerated developments, we had to make sure that the vaccine is safe, moving them in biotech temperatures at -70 degrees Celcius, which is much lower than the temperature requirements of conventional vaccines. That is another set of logistics challenges. If you put all this together, it is almost like a perfect storm.

**Is the issue that you need new infrastructure to meet the requirements, or is it simply the scale at which you are having to operate is something that you haven't seen before?**

Fortunately for us, the vaccines came in different waves because the manufacturers got their approvals at different times. So, while we estimate that the total number will rise to 10 billion doses eventually, it was manageable as it came in waves and we could plan for it. For DHL, we have been working with customers in life sciences and healthcare for over 20 years and have been investing in capabilities and infrastructure that meet the stringent requirements of the sector, and thus, do not have to start from scratch and scramble.

Nevertheless, the beauty of our company is that we have a family of divisions that work very closely together. So, while we saw commercial uplift being affected, we looked around at our sister business units and tapped on our own aviation fleet. It has been more about prioritizing and getting all the lifesaving critical equipment to where it is needed.

**Moving forward, do you foresee any long-lasting changes from the pandemic on how supply chains operate?**

From the customers that I have talked to, I do not think we will ever go back to the way we were before. The pandemic coincided with the beginning of a long conversation we had undertaken about changes in the way we work.

Generally, one of the key supply chain topics that came up was nearshoring since companies are beginning to look at how they can bring their suppliers closer instead of sourcing from multiple suppliers in different parts of the world, far away from where the manufacturing is. For the pharma and medical device industries, from my experience, a lot of the products are made in the US and Europe and then imported into APAC.

Another trend that has come up during the pandemic is the way we service our customers. In DHL's healthcare and life sciences division, the patient is at the very heart of what we do. We do not just move products from point A to point B. We must ensure that patients receive therapies at the right quality, under the right conditions, and we are beginning to see customers looking for a more direct approach. Instead of going through hubs or middlemen, there is an uptake of interest in things like e-commerce. We will have to attune ourselves because we were used to shipping in bulk and B2B

**Executives working in the pharma industry have talked about COVID-19 as an inflection point for digitalisation for an industry that has traditionally been hesitant to embrace digital tools. Is that something that has also been happening in the logistics sector?**

Digitalisation has always been high on our agenda. Along with globalization, sustainability and e-commerce, digitalization has been identified in Deutsche Post DHL Group's Strategy 2025 as one of the key future trends impacting logistics.

The group plans to spend around EUR two billion to enhance its systems, to see how we can better our customer experience. So yes, this is something that we have always been looking at. For the healthcare industry, I also see a drive towards connecting directly with customers. In the medical field, for example, one of the trends that came up was the promotion of remote consultations, which will go hand-in-hand with home deliveries of medicines.

**What has changed, if anything, in terms of Singapore's fundamentals as a logistics hub for the life sciences in the last four years?**

Singapore continues to be a key regional hub and many customers who are evaluating if they want to set up a hub in Asia-Pacific region, always have Singapore on their radar. DHL has continued to enhance its infrastructure, not just for the Singapore market, but for the region in general. For instance, we opened up a new competence centre to handle life science goods going through the airport in Hyderabad, India, last year and in Australia, we opened four new warehouses to meet the surging demand for healthcare products.

**Last time you also spoke about the DHL Asia Pacific Innovation Center as a hub for conducting research and testing new technologies and trends to bring innovative services to the market. How have your innovation efforts progressed?**

That is, in fact, one of our milestone achievements of the last few years. We opened our first Innovation Center in Germany, near Cologne, and then our second, in Singapore, in 2016. Three years later, in 2019, we opened the third in Chicago, Illinois. We are now looking to open up another one in Dubai.

As part of DHL's digitalisation strategy, innovation is still very much a hot topic. We are continuously looking at working with companies in the areas of internet of things (IoT), data analytics, quantum computing and 5G networks. In fact, we have set up a data lab with our own team of data scientists to help our customers deep dive and even go into predictive analytics.

**To what extent is Singapore and APAC the source of innovation rather than just the recipient of it? Why did the company choose the country to base this hub?**

Singapore is a strategic location for us because almost all our regional offices, as well as the regional offices of many of our customers, are here. I believe that Singapore's government has done a good job to attract more than 3,000 multinationals to set up regional headquarters.

The country makes sense as a hub to reach out to our different customers and a springboard to reach out to the four billion people living within a seven-hour flight radius. It is also increasingly becoming a huge biomedical manufacturing base.

**What are your priorities for 2021 and how do you see the pandemic situation evolving?**

I think we still have a lot of work to do. The world is still waiting for vaccines and we are on the lookout for new approvals to prepare for the waves that will subsequently come.

We are also coping with the disruptions we discussed, from the ocean situation to the cut down in air travel. As shared, one area that we are focusing on is e-commerce after the lockdowns paved the way for a phenomenal rise in online buying.

At DHL, we are moving towards a mobility concept, which is increasingly easier to accept.

On the personal front, I hope everyone stays healthy. We are hopeful that world trade will continue to improve and recover toward the second half of this year and look forward to when full capacity can eventually come back.

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