



## **Case Study: Carl Zeiss Meditec & Watchpoint Logistics – Transforming Medical Device Distribution with a Forward Stocking Strategy**

### Client Overview

Carl Zeiss Meditec is a globally renowned medical technology company specializing in surgical microscopes used in ophthalmology and microsurgery. These high-value, highly sensitive devices are instrumental in the removal of tumors, treatment of diseases, and functional disorders in clinical environments.

Their customers are predominantly hospitals and medical professionals, who rely on timely, safe, and flawless delivery for successful surgical procedures. Due to the nature of the product, Carl Zeiss employs a demo-sales channel, offering trial periods to medical teams prior to full acquisition.

### **The Challenge:**

Carl Zeiss Meditec's existing supply chain structure was misaligned with its strategic goals. Their commitment to delivering products within 72 hours from order receipt to end-customer was significantly hindered by a network that lacked agility and visibility.

### **Key Issues:**

- Low On-Time Delivery Rate: Only 48% of orders met the 72-hour fulfillment target.
- Demo Inventory Visibility Gaps: Difficulty tracking demo units at hospitals led to inflated safety stock levels.
- High Expedited Shipping Costs: Long lead times often required costly last-minute transportation solutions.
- Inefficient Communication between logistics, sales, and field teams

### The Solution: Watchpoint Logistics Network Optimization

Carl Zeiss partnered with Watchpoint Logistics to realign their supply chain with strategic and operational objectives.

#### **1. Network Analysis and Optimization**

Watchpoint conducted a comprehensive network analysis, assessing historical demand patterns, customer locations, and lead time requirements. The solution:

- Identified 6 optimal Forward Stocking Locations (FSLs)
- Strategically positioned inventory closer to demand centers
- Enabled just-in-time availability of demo and commercial devices

#### **2. Implementation of OnPoint – Cloud-Based Inventory Visibility**

Watchpoint introduced OnPoint, a Watchpoint proprietary centralized inventory visibility system enabling:

- Real-time tracking of demo inventory by location
- Streamlined communication between sales reps and logistics
- Elimination of redundant inventory buffers at regional levels

### 3. Network Control Tower Integration

A Watchpoint-managed Control Tower centralized communications and coordinated:

- Order execution across all FSLs
- Carrier dispatching with White Glove delivery services
- Proactive exceptions management

The Results:

Carl Zeiss Meditec realized transformational improvements in supply chain performance and customer satisfaction.

Key Metric	Before Watchpoint	After Watchpoint
On-Time Order Fulfillment (72 hrs)	48%	92%
Transportation Spend	High	↓ 38%
Inventory Buffering	Excessive	Reduced
Expedited Shipping	Frequent	Minimized
Demo Unit Visibility	Fragmented	Real-time via OnPoint
Product Damage During Transit	Moderate	Minimized with White Glove

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Conclusion:

Through Watchpoint Logistics' strategic redesign of the supply chain, Carl Zeiss Meditec transformed their distribution model into a responsive, cost-efficient, and customer-centric system. By deploying forward-stocking and leveraging OnPoint for end-to-end visibility, the company not only enhanced performance but also reinforced its commitment to supporting life-saving surgical procedures with precision and reliability.

"Watchpoint's logistics redesign helped us exceed our service goals while reducing costs. The impact on our customers—and patients—was immediate and measurable."

— Director of Global Logistics, Carl Zeiss Meditec