

Leading Pharma Company Undergoes 3PL Consolidation

A global pharmaceutical company looked to improve their North American operations and better serve their target patient populations in the cardiology, infectious disease, oncology, and neuroscience therapeutic areas. The client partnered with Clarkston Consulting to streamline their North American supply chain logistics and design a solution to support their long-term growth strategy while maintaining compliance with the current and future regulatory landscape.

Clarkston Consulting worked with the client to expand their SAP 6.0 solution to include a new solution for the Americas. This enabled the client to improve their planning processes and support their North American (US & Canada) business operations through consolidated customer service, new Canadian third-party logistics providers (3PL), a new destruction provider, and full EDI capabilities. Clarkston Consulting led the institutionalization of the changes through application of best practices in change management, master data governance, automated system processing, and business process training.

Life Sciences Case Study

PROJECT OVERVIEW



COMPANY:

A leading pharmaceutical company

INDUSTRY:

Pharmaceuticals

PRODUCTS & SERVICES:

Cardiology, immunology, infectious disease, neuroscience, oncology, and urology drugs

EMPLOYEES:

18,000

REVENUE:

\$11 billion annually

PRIMARY OBJECTIVES:

- Consolidate supply chain logistics to a single 3PL provider in Canada
- Ensure all operations of the chosen 3PL meet expectations for security, regulatory compliance, and quality
- Implement a software and business process solution to support long-term growth strategy
- Enable and automate common business process into a single solution for North America
- Harmonize master data processes for customer service including customer, materials, and pricing data
- Improve order flow
- Incorporate key customer with consigned inventory

RESOLUTION:

- Worked with Clarkston Consulting to add Canada SAP 6.0 to the Client and preferred 3PL solutions
- Redesigned Canada Procure-to-Pay, Order-to-Cash, Material Management, Finance and Control modules to support updated supply chain business processes for North American approach
- Implemented EDI between Client and 3PL to ensure seamless communications between companies
- Integrated destruction vendor into supply chain flow and automated with EDI functions to provide customers with timely return refunds
- Harmonized master data between sites
- Optimized business processes

KEY BENEFITS

- Improved operations and progressive patient service to populations in the cardiology, infectious disease, oncology, and neuroscience therapeutic areas
- Streamlined supply chain logistics
- Creative solution to support their long-term growth strategy
- Compliance with the current and future regulatory landscape

KEY PERFORMANCE INDICATORS:

- ▶ Created common business processes for US and Canada regions
- ▶ Transformed to use single 3PL vendor with new Canada DC facility to reduce handling costs
- ▶ Sped up automated processes and incorporation of new destruction vendor; enabled by EDI
- ▶ Harmonized master data (implemented automatic pricing with contract pricing); harmonized customer

