

CASE STUDY

Biotechnology Firm

New, Flexible Infrastructure Supports Growth

Challenge

This client, who had experienced exponential growth over a five-year period, needed a new business infrastructure to support the company's growth and new product development, as well as offer flexibility if the company grew through acquisitions.

Solution

Clarkston implemented an integrated ERP system that encompassed all of the firm's accounting, inventory, warehousing, LIMS and document management needs.

Benefits

The integrated system enables the company to:

- Improve forecasting, driving down inventory costs by 10 percent
- Reduce month-end accounting practices from 12 to 5 days
- Integrate lot genealogy, resulting in a 60 percent cost reduction for potential product recalls

Challenge

This leading biotechnology grew by almost 1400% over five years. Systems used for payroll, inventory management, and other crucial operations could not keep up with demand. To continue to grow revenues, the firm's management began looking for a new system that would support the company's growth, as well as offer flexibility if the company grew through acquisitions or introduced new products.

Solution

The client looked to Clarkston Consulting for assistance integrating multiple systems into one enterprise resource planning system with little disruption to its current operations. The integrated system would encompass all of the firm's financial accounting, inventory and warehouse management, LIMS and document management needs.

During the implementation process, Clarkston made several customizations that helped streamline processes. One customization involved improving the reporting process by initiating a new bar-coding process using SAP®'s Consume and business warehouse offering. The purpose of the system was to streamline financial and inventory planning and reporting.

The system also needed to comply with the Food and Drug Administration's (FDA) requirements for electronic records under 21 CFR Part 11. The system was validated to ensure that the client met current good manufacturing practices (cGMP) requirements. Clarkston assisted in the

development of standard operating procedures (SOPs) and training programs.

Benefits

The client successfully built a new infrastructure on time and within budget. The company's financial, logistics, sales, inventory and warehouse management systems were fully integrated, and supported the firm's growth model to allow for additional expansion. The client also integrated its system with third-party distributors to improve supply chain visibility and eliminate potential issues processing orders using system controls.

Among the major benefits are:

- Improvements in forecasting that resulted in a decline in inventory cost by 10 percent
- Reduction in month-end accounting practices from 12 to 5 days
- Integration of lot genealogy, resulting in a 60 percent cost reduction for potential product recalls

Company Profile

The client is a fully integrated biotechnology company focused on developing and marketing products that address medical needs in areas such as infectious disease, immune regulation and cancer. The company's capabilities span the entire spectrum of pharmaceutical development, including discovery research, clinical development, data analysis, regulatory affairs, quality control, manufacturing and sales and marketing.

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