

# Plan4Demand Profiles— Health Sciences Industry

Sales and Operations Planning • Global Supply Planning • Collaborative Planning



**Strategic Planning Drives Real-World Profits**

**plan4demand**

## ***Your supply chain problems aren't like other people's.***

The need to monitor expiration data in real-time to manage date-sensitive inventories. Tighter product-safety requirements that nibble profit margins by requiring you to beef up transactional systems and make sure employees are certified in proper handling processes. Evermore detailed packaging and display requirements that complicate planning for retail channels.

### ***Accelerated new-product cycles. SKU proliferation.***

Plan4Demand consultants aren't *just* supply chain experts; they're **process specialists** with **deep experience and insights into your industry**. They've led supply chain improvement initiatives for some of the world's biggest names in life sciences:

- Bayer
- Covidien
- GlaxoSmithKline
- Hollister
- Medline
- Smith & Nephew

**Our knowledge not only spans the supply chain**—from planning and production, to inventory and transportation—we offer a breadth of expertise, services, and solutions fine-tuned to target your pain points and drive tangible value to your bottom line.

***Plan4Demand partners ensure excellence in your industry.***

# Plan4Demand Profile

## Sales and Operations Planning: Pharma

Leaders at \$38 billion chem/pharm giant select Plan4Demand skills and tools to drive world-class S&OP excellence.

**Results varied by business unit, but were universally impressive:**

- 10-15% reduction in weeks of supply
- 30-50% increase in forecast accuracy
- 50% reduction in obsolete inventory

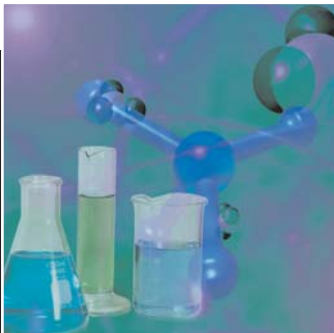
Stakeholders with this hundred-year-old global corporation contracted Plan4Demand S&OP specialists to help balance risks and opportunities throughout their expansive chemical/pharma product lines, manufactured and distributed via a global network of wholesalers, pharmacies, and hospitals. Leveraging decades of hands-on expertise, our specialists first led customized training to educate team members across 12 distinct business units (BUs) about the value and potential benefits of using standardized S&OP tools and processes

to streamline operations.

They next developed an aggressive implementation plan to target all 12 of the BUs within just one year. Working in four-month phases, with four BUs per phase, our team led readiness assessments that focused on the specific requirements of each unit. We then designed processes—and subprocesses—to support each BU's unique needs.

Our team used Plan4Demand's proprietary **Demand Curve Analyzer™** to precisely project reasonable forecast error metrics and target underperforming items. We developed and presented custom training that focused on SAP APO, to promote greater self-sufficiency among end users and to help foster user adoption. We even led post-implementation audits to ensure process compliance.

**“Our S&OP specialists aren't just theorists, they're hands-on implementers who know the ropes,”** said Plan4Demand CEO Lisa M. Kustra. **“Where other consulting firms fall short, Plan4Demand excels, helping companies develop, implement, and sustain processes that yield tangible results like costs savings and forecasting improvements.”**



**“Training end users in the art and science of advanced planning is *not* a point-and-click proposition. Planners must understand, embrace, and *own* the knowledge about the iterative processes and ever-changing dynamics that drive supply chain performance.”**

—Lisa M. Kustra, CEO, Plan4Demand

## Global Distribution (SAP APO SNP): Medical Equipment

Plan4Demand supply planning experts help medical device distributor smooth the rough waters of global sourcing.

### Proactive vs. reactive

- Complete road map of new supply planning strategies helps sustain customer service levels, reduce expediting costs, and maintain competitive edge.

Business leaders grew this family-owned company into an industry leader based on an unrivaled commitment to customer service. Over time, however, the challenge of effectively satisfying demand began to overwhelm their homegrown processes. With an expansive network of 25 regional distribution centers serving hospitals and healthcare facilities throughout the U.S., planners increasingly turned to Asian manufacturers to fulfill product demand.

To hedge against the longer lead times of their overseas supply network, planners began increasing order sizes to build safety stocks. This led to a rise in inventory, which necessitated more storage facilities, which triggered the need for more working capital to maintain their beefy pipeline. And when outages *did* threaten, planners relied on expedited shipping—a costly fallback—to fulfill demand.

**“We were in a vicious cycle, fighting daily fires in a reactionary mode, rather than proactively managing the supply chain to stay ahead of our inventory need,”** said one company executive.

By conducting a supply chain audit, including interviews with key players, Plan4Demand consultants exposed a planning process ill-suited for world-class operations. After validating their findings by analyzing client data to pinpoint the root cause of poor performance, our team developed a phased road map of solutions to roll out over time.

Our experts proposed creating alerts by reconfiguring the existing SAP APO software to enable exception-based management in the short term, recasting the planning process to focus on demand consensus, and implementing both SAP SNP and a sales and operations planning process to rein in costs.



**People – Process – Technology**

## Collaborative Planning: Retail Consumer Healthcare Products

Best-practice insight streamlines planning between joint venture partners.

### Executive workshop drives organizational change.

- One-day seminar on strategic sales and operations planning sparks collaborative alliance between global titans.

Soon after Plan4Demand hosted its first **Food4Thought Forum** on sales and operations planning best practices, attendees from one Global 500 consumer healthcare products company invited our S&OP specialists to conduct an assessment of their own supply and demand balancing process, to identify possible areas for strategic improvement. Based on the results of our analysis, they invited our experts back to develop a collaborative planning assessment for yet another Global 500 player—*their own joint-venture supply partner.*

During Plan4Demand's Phase 1 assessment for this client, our S&OP experts completed a top-down review of the company's entire supply planning operation, starting with the strategic thinking behind their existing processes, and finishing with analysis of their vendor-configured Manugistics planning software.

We developed a road map of potential improvements to be made, including streamlining an existing collaborative planning process to supply retail customers through an alliance with a Global 500 drug manufacturer. Per our client's request, we then brought together project leaders from both companies, then proposed and implemented a plan for improving data flow and visibility between both organizations.

By laying a foundation for effective consensus-building, rooted in fundamentals of S&OP, Plan4Demand helped both global leaders improve forecast accuracy, enable exception-based management by configuring their software to provide early visibility into potential problems, and better allocate their planning resources.

**“S&OP is an ongoing exercise in continuous improvement, not a pit stop along the road to operational excellence,”** said Plan4Demand CEO Lisa M. Kustra. **“We helped our client—and their partner—make sure their planning process was precisely tuned to support their strategic goals by better managing their products and brand lines.”**



### The Value of Partnering with Plan4Demand—

- Fast, lean teams of industry experts
- Solely focused on supply chain planning
- Hands-on corporate *and* consulting experience
- Objective advisors who share your business concerns

## Leverage our expertise to drive success in your supply chain.

Contact Plan4Demand's management and technology consultants to discuss our proven abilities to help optimize profits in *your* business.



### People—Process—Technology

By first collaborating with your *people*, we jointly determine the best ways to optimize your business *process* requirements. Only then do we move forward with the right *technology* to help you achieve your bottom-line goals.

Call Plan4Demand at 866.P4D.INFO  
or visit [www.plan4demand.com](http://www.plan4demand.com).

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