



Customer Reference Story

DAIICHI SANKYO Europe GmbH | Pharmaceuticals | IDS Scheer Consulting

HARMONIZATION AND ROLLOUT OF LOGISTICS PROCESSES IN EUROPE AND IMPLEMENTATION OF A CENTRALIZED REPLENISHMENT

Challenge

DAIICHI SANKYO wanted to standardize processes throughout Europe and establish a transparent value chain. The pharmaceutical leader had completed a full SAP® implementation and a rollout of Financial Accounting and Controlling (FI/CO) functions in 2008 with the help of IDS Scheer Consulting. Now it wanted to duplicate that success when harmonizing logistic processes as it rolled out SAP modules for Sales and Distribution (SD) and Materials Management (MM) to affiliates across Europe.

Solution

- Set up a European template
- Evaluate local differences in processes as well as legal conditions and requirements
- Implement a centralized replenishment process
- Establish interface for direct integration of logistics service providers

Benefits

- Harmonized and standardized logistic processes enable standardized reporting and ratio analysis
- Centralized replenishment reduces inventory and related costs
- Central planning and controlling of all European Supply Chain processes permitted by an integrated system platform
- One integrated European ERP system increases consistency
- Fast implementation – completed in just months



Daiichi Sankyo ranks among the top 20 pharmaceutical companies worldwide and employs more than 15,400 people. The European headquarters Daiichi Sankyo Europe GmbH in Munich is responsible for all European production, marketing and sales activities, including the approval of Daiichi Sankyo products for the European target markets. Its therapeutic focus centers on cardiovascular diseases, diabetes and metabolic diseases, bone and joint ailments, infectious diseases as well as cancer and allergies.

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“Timing and scope of the project were so ambitious that we had not expected to implement all activities on time. The success of the project was already visible shortly after the project in the reduction of stock levels.”

Dieter Reuter | Senior Vice President European Supply Chain | DAIICHI SANKYO Europe GmbH, Germany

Sustainable growth

DAIICHI SANKYO is a leading global pharmaceutical firm counted among the top three pharmaceutical companies in Japan as well as among the top 20 worldwide. Its research and development activities focus primarily on cardiovascular diseases, diabetes and metabolic diseases as well as bone and joint ailments – all of which are fields that are projected for strong growth. To enhance that growth opportunity and to increase its competitive advantages, DAIICHI plans to harmonize its European supply chain processes, improving transparency and data quality in the logistics area as well as a centralized inventory control.

Partner: IDS Scheer Consulting

The expertise and competence of IDS Scheer Consulting was well known at DAIICHI SANKYO. The company had succeeded with a full SAP implementation in its European headquarters in Munich in 2007 and 2008, thanks to IDS Scheer Consulting. This included rolling out FI/CO functionality to 10 European affiliates. To continue this international harmonization, IDS Scheer Consulting again was the preferred choice.

Benefiting from a proven project approach

For the next rollout to European subsidiaries, IDS Scheer recommended an effective and efficient centralized template approach. This approach takes into account an early involvement of local affiliates and their mandatory specialities, legal conditions and requirements. It also evaluated local differences in processes as well as legal conditions and requirements at an early stage. This would help facilitate a smooth transformation of project activities used in daily operations.

Main features of the project

With the help of IDS Scheer Consulting, the company implemented the SAP SD and MM modules in all 12 European subsidiaries as well as established an XI/PI interface with central logistics

service providers – all in just 13 months. The project team also has implemented the centralized replenishment processes after having introduced successfully the logistic processes.

Key project features:

- Centralized definition of supply chain processes and their supporting SAP functions
- On-site analysis of local differences in processes as well as legal conditions and requirements
- Definition of relevant processes for each country office
- Availability in 12 European countries
- Electronic interface for logistics service providers
- Implementation of country-related outsourced processes
- Link to local wholesale platforms for automated order entry
- Validation of the system with respect to legal requirements for the pharmaceuticals industry

Ready for future

Thanks to IDS Scheer Consulting, DAIICHI SANKYO is a great deal closer to harmonizing European supply chain processes and improving the transparency and data quality in the logistics area. The company has achieved central management of inventory to optimize supply and has reduced costs.

This integrated system platform serves as efficient basis for central planning and controlling of all European supply chain processes. Thanks to the commitment and expertise of the team, which included DAIICHI SANKYO employees from European headquarters and subsidiaries, this complex project was completed within an ambitious timeframe and within budget. With this foundation in place, the company can now use central replenishment to reduce inventories and to continue to reduce costs.

KEY COMPONENTS

IDS Scheer Consulting, known for industry expertise, used the proven centralized template approach to implement the rollout at DAIICHI. Using the template approach takes into account local differences in processes and mandatory specialities of the affiliates at an early stage.

Take the next step to get there - faster.

About SOFTWARE AG

Software AG is the global leader in Business Process Excellence. Our 40 years of innovation include the invention of the first high-performance transactional database, Adabas; the first business process analysis platform, ARIS; and the first B2B server and SOA-based integration platform, webMethods. We offer our customers end-to-end Business Process Management (BPM) solutions delivering low Total-Cost-of-Ownership and high ease of use. Our industry-leading brands, ARIS, webMethods, Adabas, Natural, CentraSite and IDS Scheer Consulting, represent a unique portfolio encompassing: process strategy, design, integration and control; SOA-based integration and data management; process-driven SAP implementation; and strategic process consulting and services.

ABOUT IDS SCHEER CONSULTING

IDS Scheer Consulting, a Software AG brand, has been helping its customers to create more efficient business processes for over 25 years. As the market leader in Business Process Management (BPM), we cultivate a trustful partnership with our customers and support them on their way to sustainable business success. Our consultants support companies in their strategic decision-making – as the driver for cost effectiveness and efficiency and thus for business success. IDS Scheer Consulting is committed to delivering industry process excellence for its customers through a combination of industry expertise, process orientation and IT know-how.

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