THE FUTURE OF THE LIFE SCIENCES INDUSTRY REQUIRES COLLABORATION

Life sciences companies must reimagine their businesses given disruptive competition, ongoing patent expirations, greater regulations, and margin erosion. To succeed in today’s life sciences industry, you need a spend management solution that drives revenue through greater insights and enhances connectivity and collaborative partnerships to:

- Maximize visibility of all categories (direct, indirect, travel, and services) of spend and turn data into actionable intelligence
- Engage suppliers digitally to proactively use and predict end-user demand and adjust production
- Accelerate order fulfillment across geographies through a flexible supplier network that can respond to individualized lot-size production
- Improve patient outcomes through network-driven intelligence combined with integrated spend management functionality
- Standardize and harmonize supply chain planning and execution processes across divisions and with contract manufacturing organizations (CMOs), active pharmaceutical ingredient (API) providers, and other partners
- Seamlessly exchange quality information, inspection results, work-in-process data, and certifications at each step of manufacturing and delivery

KEY FACTS

>3,800
Life sciences companies in 87 countries that are innovating with SAP® solutions

100%
Percentage of the top 5 consumer life sciences companies in the world that run SAP solutions^2

170,000
Suppliers on Ariba® Network that service life sciences companies^1

12%
Expected reduction in days inventory outstanding with dynamic, frequently updated forecasts^4

CUSTOMERS

**Merck KGaA** is increasing its visibility and planning capability with contract manufacturers using the SAP Ariba Supply Chain Collaboration for Buyers solution.

**Johnson & Johnson** is reshaping how it brings value to its business with SAP Ariba solutions.

**Lupin Limited** achieved US$600,000 in savings in just six months.

1., 2. SAP Fast Facts

3., 4. SAP Performance Benchmarking
Supplier risk and qualification management
Use real-time visibility to actively monitor risk in your supply base to satisfy regulatory requirements and avoid costly disruptions, protecting both your brand and the patient or consumer.

Digital source-to-contract processes
Integrate sourcing and contracting processes with manufacturing execution through your ERP system so that negotiated terms and contracts are fully executed.

Direct spend sourcing
Help cut time to market and reduce costs in raw material, component, and contract organization (CRO, CMO) spend by engaging sourcing earlier in the product development cycle and integrating with engineering and procurement systems.

WHAT ARE THE BENEFITS?
With Intelligent Spend Management, life sciences companies can expect:
• Strategic benefits: increased supply chain agility for faster time to market
• Risk and compliance benefits: enhanced product compliance and better-qualified sources of supply at lower cost
• Measurable benefits: reduced inventory levels, improved working capital, and lower off-balance-sheet liabilities to protect margins in highly competitive markets

When it’s time to digitalize your business and run at your best, Intelligent Spend Management brings together solutions from SAP designed for the life sciences industry.

Why Intelligent Spend Management?
Digital technology is changing procurement and supply chain processes. Leading life sciences companies can respond quickly and profitably to volatile demand and supply. Trading partner relationships in life sciences companies can be reimagined with Ariba Network, our business-to-business network, and supply chain collaboration solutions, to deliver on this new reality and to determine what and from whom to source, what to make, and how and when to transport.

LEARN MORE
To learn more, visit us online.