



Accurate and coordinated supply chain planning

SITUATION

An innovative life science company that helps pharmaceutical companies to develop and commercialize small molecule drugs was operating a complex production with global sales.

Increasing customer demand (both in terms of volumes and new products) forced the company to maximize its production capacity. However, the complex batch manufacturing environment, including extensive changeover and cleaning times, was making it difficult to maintain high service levels.

In addition, the production Planning & Scheduling process was both time consuming and tedious. This was due, in part, to R&D products competing with existing production for capacity, making it difficult to see the consequences of prioritizing orders based on due dates, service level or inventory.

The company needed to streamline its processes. Long term Sales & Operations Planning, as well as material and capacity planning, needed to be improved. At the same time, wastage relating to cleaning and changeover procedures needed to be reduced.

CHALLENGE

To improve Planning & Scheduling efficiency and accuracy, while also facilitating an effective procurement process and ensuring low inventory levels (meeting regulatory and physical constraints).

In addition, the processes for Sales & Operations Planning and Production Planning & Scheduling needed to be in sync with each other and with the ERP system (one of the key data sources).

SOLUTION

The company and PlantVision approached the project in close partnership. A pre-study was carried out focusing on business benefits and value mapping to make sure the business case would deliver the expected return on investment. This step also helped to engage stakeholders (responsible for implementing changes) at an early stage.

Once the new working processes and proper ownership were defined, configuration of the Planning & Scheduling solution began – covering the *use cases* previously defined.

Preactor, the planning and scheduling software chosen by the customer, was configured to model the company's new supply chain processes and was integrated with the ERP system.

Changes to working methods were also introduced, including the coordination of activities between purchasing, planning, operations and finance.

This project approach, building on an accurate pre-study, enabled a very short project delivery time.

RESULTS

- **Clearly defined Sales & Operations Planning process** – Supporting both yearly budgeting and monthly forecasting, verifying material and capacity.
- **Faster planning process** – The effect of proposed/potential changes can now be immediately tested, including support for "What if" analysis.
- **Improved planning precision** – Access to detailed information means accurate delivery dates can be communicated to customers. Detailed information also supports improvement campaigns for reducing cleaning and changeover times.
- **Increased visibility and flexibility** – Closer coordination with purchasing means planners can clearly see the effect of changed delivery dates on planned production. The plan can also be shared within the organization, facilitating the analysis of bottlenecks and generating feedback on how to improve.
- **Improved inventory control and synchronization of purchased material** – Late supplier deliveries and potential impacts on production can be verified immediately. Projected stock profiles of both purchased and produced materials are available to avoid breaking any regulatory or physical constraints.
- **Greater possibilities for improvement** – The new solution provides greater insight into how the supply chain functions, including the role of suppliers. Planners can see capacity usage and where bottlenecks exist. They can identify the areas that work well and those that need improvement, enabling lead times to be continually improved.

MORE INFO

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