

Supply Chain

We make SAP work for you

Customer SUCCESS story:



Company Background

AstraZeneca, one of the world's leading pharmaceutical companies, is dedicated to the discovery, development, manufacturing and marketing of high quality, effective prescription medicines to fight cancer, cardiovascular, gastrointestinal, infection, neuroscience and respiratory illnesses.

With more than 1000 employees, AstraZeneca Australia's Head Office and Manufacturing facility are based in North Ryde, New South Wales. The world-class manufacturing facility produces respiratory and sterile injectable products in polyethylene and polypropylene plastic containers.

AstraZeneca Australia is the third largest supplier of pharmaceutical medicines and supplies and exports pharmaceutical products from its Sydney plant to more than 30 countries around the world from Europe to Asia, New Zealand to Japan.

Not only were all aspects of the validation plan met, but also the quality of the documentation was of an exceptionally high standard.

*Gavin Peters
Astrazeneca Australia*

The Challenge

In late 2004, AstraZeneca management identified that its 10 year old SAP 4.0B system was in its extended maintenance phase and required upgrading or replacement.

The decision was made to re-implement SAP (ECC5 including BW) for a number of reasons:

- Business process improvement, in particular the simplification and standardisation of processes to better meet customer requirements.

- Improved business information by retiring several non-SAP reporting systems.
- An opportunity to standardise all SAP business process, technical and training documentation to meet ongoing business and regulatory requirements.
- A single business system for Australia and New Zealand.
- Create a flexible IS environment.

The project scope for the re-implementation involved domestic and export sales, purchasing, warehouse management, inventory control, production planning, scheduling and execution, manufacturing process management, quality management, financial and management accounting and business warehouse reporting.

The next step was to find an implementation partner with the required expertise and cultural fit for the organisation. Supply Chain Consulting was selected due to their 100% focus on SAP, impressive track record and quality of consultants.

The Project

The project commenced in April 2005 and took 14 months to complete. To ensure system implementation was in accordance with the applicable healthcare regulations (GxP), elements of the SAP ASAP project methodology were used in conjunction with a validation framework. The framework incorporated quality assurance processes that guided the development activities throughout the project life cycle.

"The validation, quality and compliance requirements were followed to the letter by Supply Chain resources. Not only were all aspects of the validation plan met, but also the quality of the documentation was of an exceptionally high standard. This application to a strict testing regimen was evidenced by a very smooth cutover in early June 2006," said Gavin Peters.

Benefits

The implemented SAP solution has provided a number of key benefits, including:

Sales Order Management

Rebates are now managed in SAP. The use of intercompany stock transfer process simplifies NZ orders and there are standardised processes for export and domestic.

Procurement

Introduction of multi level release strategies, service receipts, non-stock catalogue functionality and email of purchase orders.

Warehouse Management

Improved traceability of stock, better picking process and simplified product sampling process.

Finance

Improved reporting in Business Warehouse, electronic approval of capital appropriations, activity based costing moved from spreadsheet to SAP and email of remittance advices.

Plant Maintenance

Improved control by costing of engineering spares, introduction of maintenance plans in SAP and the ability to undertake root cause analysis.

Production Planning and Quality Management

The manufacturing operations of the business have benefited from improved process instructions with all defects now being captured electronically. There have also been substantial improvements made to long term planning visibility and detailed scheduling capability.

New quality management capabilities such as environmental monitoring, calibration monitoring and better use of the quality notification functionality has made real improvements in the production process.

Results

The implemented SAP solution provided AstraZeneca with a platform for further business improvement and system documentation processes which meet strict business and regulatory requirements. This has led to a higher level of acceptance and confidence in the SAP system by AstraZeneca.



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