

SAP Value Paper | PUBLIC

Transform Your Life Sciences Organization with the Intelligent Enterprise

Achieve Business Value with Intelligent ERP

THE BEST RUN

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he Power of Intelligent ERP

Leading life sciences manufacturers transform their business to scale and move from products to services.

sciences manufacturers in secure ways. Further, patients will be more accountable for their care and have greater access to their personal health information. Technology will allow and automation with Intelligent ERP solutions is key to turning from a make-to-stock business model to make-to-order model, as needed, to become nimbler in offering personalized Empowered patients will be in the driver's seat, focusing on prevention rather than treatment, and they will be comfortable sharing their health information with providers and life patients to use smart devices to monitor their health in real time while collaborating with their physicians from home. For life sciences companies, enabling process simplification therapy treatments

also cost-effective outcomes. These personalized treatments are enabling the Patients and payers will demand personalized treatments with superior but supply chain to adopt more agile models. Life sciences trends are as follows:

three strategic priorities:

In working with leading companies across the globe, we see investments focused on

Big Data driving health networks Empowered patients and personalization Regulatory pressures and rising healthcare costs

Improved patient outcomes

- Innovative target therapies and personalized medicine
- Value-based patient outcomes
- Organizations competing as an ecosystem
- Wholesale to direct-to-consumer mode
- Real-time collaboration with emergence of B2B model

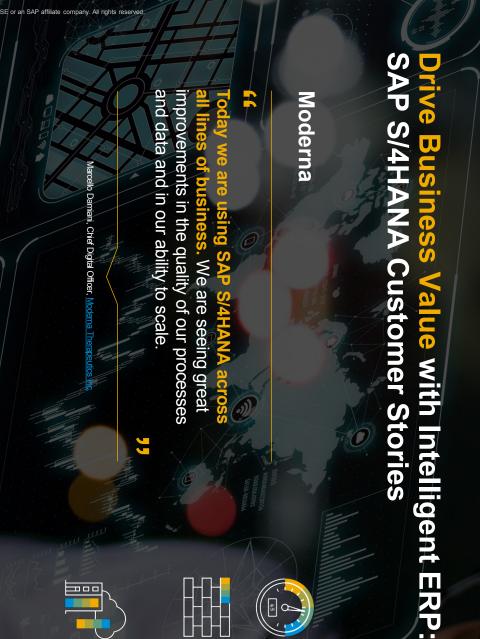
Digital supply chain and smart factory

- Physical inventory to digital inventory
- Products to solutions and service

Enhance and extend next-generation processes with Intelligent ERP

companies will run patient-centric, integrated processes that are transparent and connected to the real world. They will speak to machines in the factory, interact with patients, and promptly be aware of global health situations. People will be relieved of repetitive work and more focused on high-impact activities Life sciences companies must use digital technologies to drive revenue through greater insights and collaborative partnerships, leveraging employee experiences. Most successful

patients all require improved therapeutic outcomes at a lower cost, and patient centricity is key, with focus on customer and brand experiences Embedding intelligent technologies into SAP S/4HANA® is a key value contributor to enable life sciences companies to become intelligent enterprises. Payers, providers, and



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new drugs to development Manufacturing that helps speed

10x

constructs that can be built each month Increase in the number of mRNA

Better

in artificial intelligence, machine the foundation for future innovations Data quality, access, and analytics as learning, and the Internet of Thing

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SAP S/4HANA Customer Stories Drive Business Value with Intelligent ERP:

New England BioLabs

The enzymes we develop help our customers drive new discoveries, with the goal of helping humanity. NEB is also committed to developing more sustainable business practices. Simply put, we aim to use SAP S/4HANA to help us raise the quality of life for posterity.



Access to raw materials and a production plan that leads to faster decision-making



Faster Batch traceability

Sharon Kaiser, CIO, New England Biolabs Inc.

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References

Strategic Priorities for Life Sciences in a Digital Economy

set of end-to-end (E2E) business scenarios to support the strategic priorities of working in a digital environment. The digital economy is disruptive. Life sciences companies need strategic priorities that drive their transformation to becoming intelligent enterprises. SAP supports a reimagined

Improved patient outcomes

in medical technology – such as chimeric antigen receptor (CAR) T-cell therapy.* from remote patients and devices) and new processes to manage the latest innovations service and knowledge-based partners. In this way, life sciences companies can deliver device and drug use and incidents. They are using structured analysis for collecting fundamentally new and differentiated patient value propositions (such as capturing data requirements based on interactions of customers and design partners to collaborate with Life sciences companies are developing product innovations based on reports of actual

ability to personalize patient treatment E2E scenario: Patient-centric targeted treatment therapy management – Provide the

cold-chain products using real-time alerts and continuous monitoring E2E scenario: Cold-chain biopharma outbound logistics – Transform shipment of

Organizations competing as an ecosystem

suppliers to orchestrate outcomes in moments of R&D need for virtual, global drug delivered on mobile devices, can bring incremental changes in the way products are contract research organizations, along with the usage of analytics and real-time alerts development. Integration between manufacturers, third-party logistics providers, and An ecosystem approach enables collaboration in real time across functions and with developed using real-world evidence data from patients

drugs and devices with data-driven insights to transition into development E2E scenario: Intelligent product design and collaboration – Enable better design of

production of drugs and devices recipes using real-time alerts during tech transfer to commercial manufacturing for E2E scenario: Recipe development and formulation – Transform formulation and

Digital supply chain and smart factory

needs are met with flexible, demand-driven planning and tighter integration with size production. Personalized, digital, patient-physician experiences can be mapped more, supplier networks can be mobilized to respond to small or individualized lotthird-party logistics is key. to create a real understanding of needs and desires. Ensuring that these special To meet the demands of cell and gene products, clinical trials, orphan drugs, and

requirements planning (MRP) - Enable efficiency in a regulated industry E2E scenario: Process simplification with demand-driven material

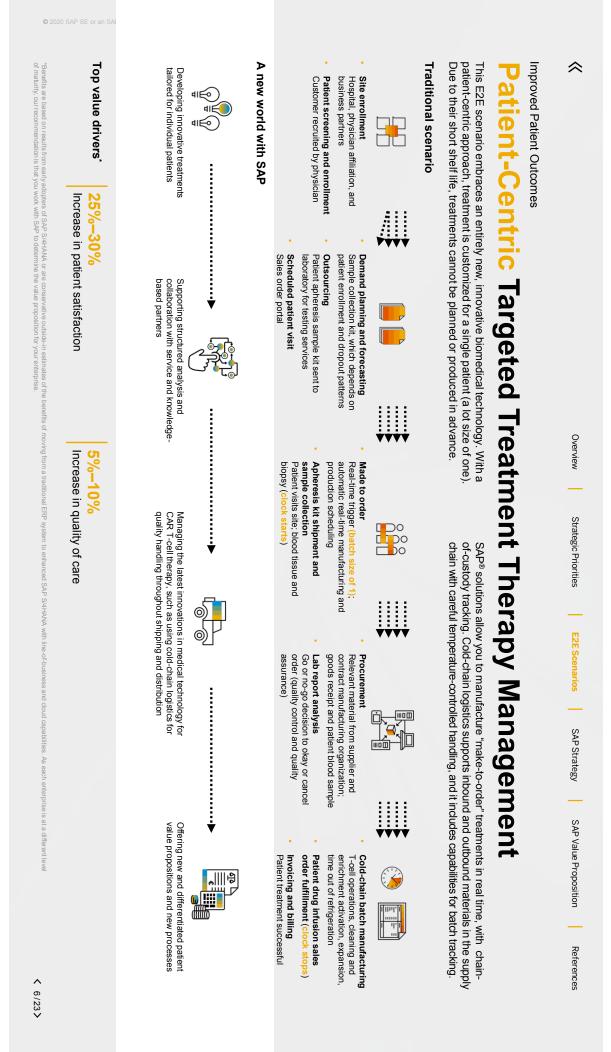
E2E scenario: Material control and product segmentation – Plan and execute clinical trials better using data-driven insights

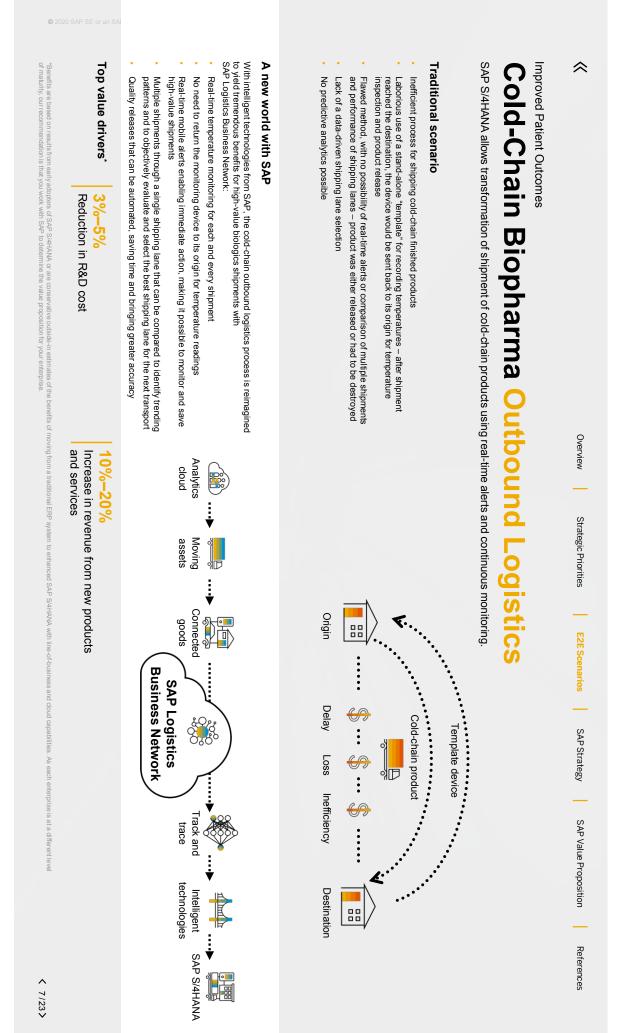


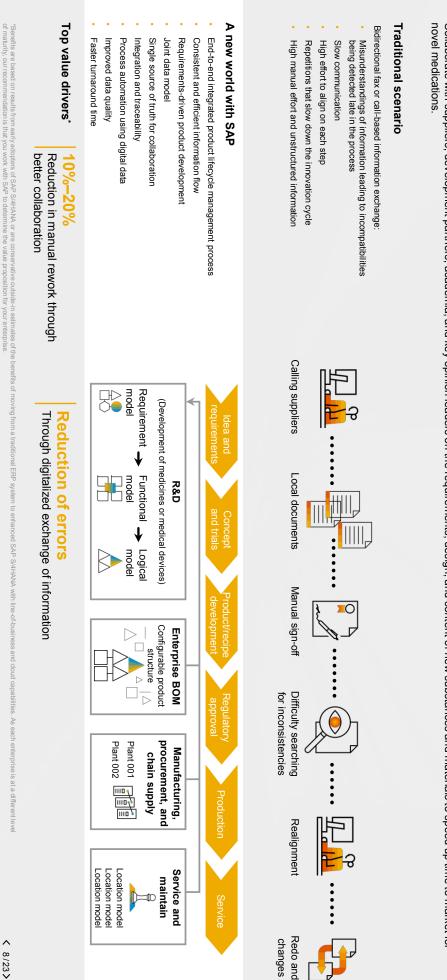












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Organizations Competing as an Ecosystem

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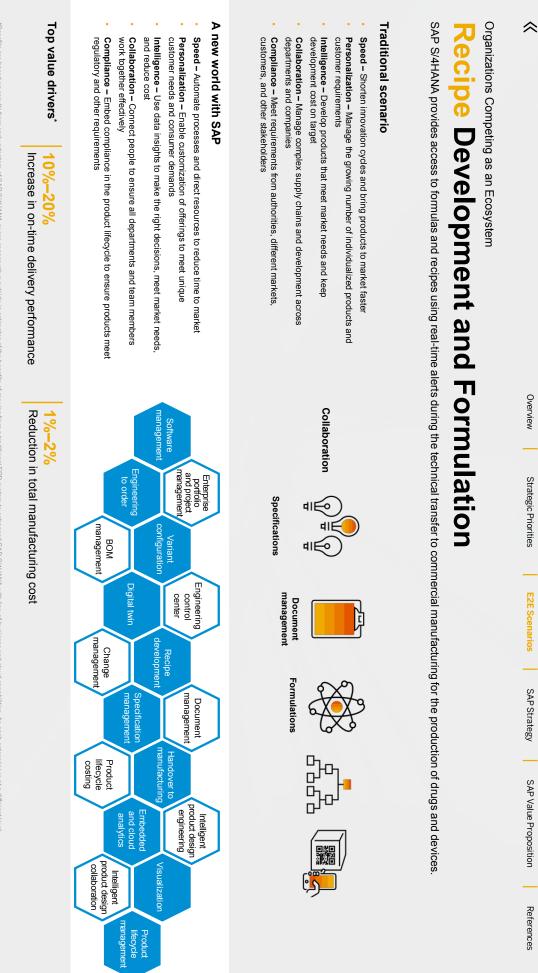
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ntelligent Product Design and Collaboration

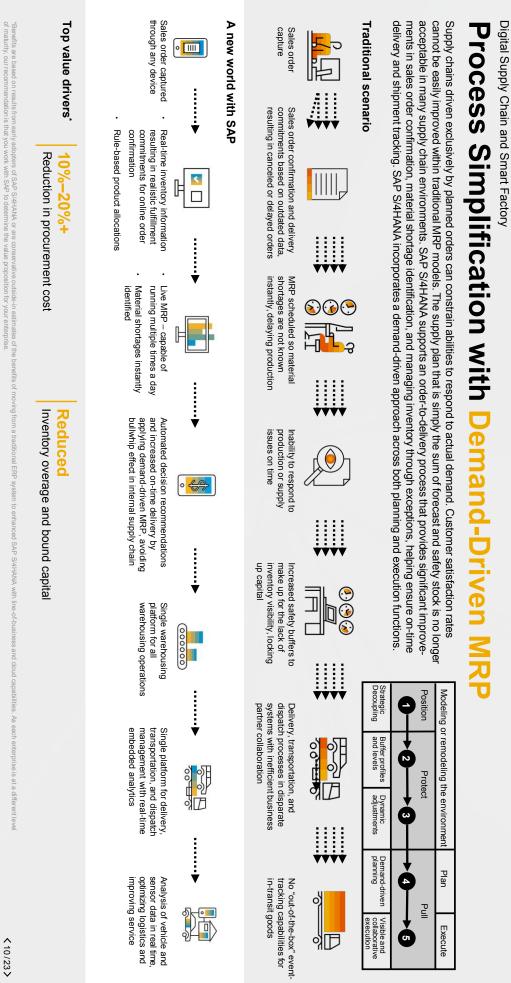
Collaborate with suppliers, development partners, academia, and key opinion leaders on the requirements, design, and content of new substances and materials to speed up time to market for

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*Benefits are based on results from early adopters of SAP S/4HANA or are conservative outside-in estimates of the bene of maturity, our recommendation is that you work with SAP to determine the value proposition for your enterprise. onal ERP system to enhanced SAP S/4HAN/ s at a different level

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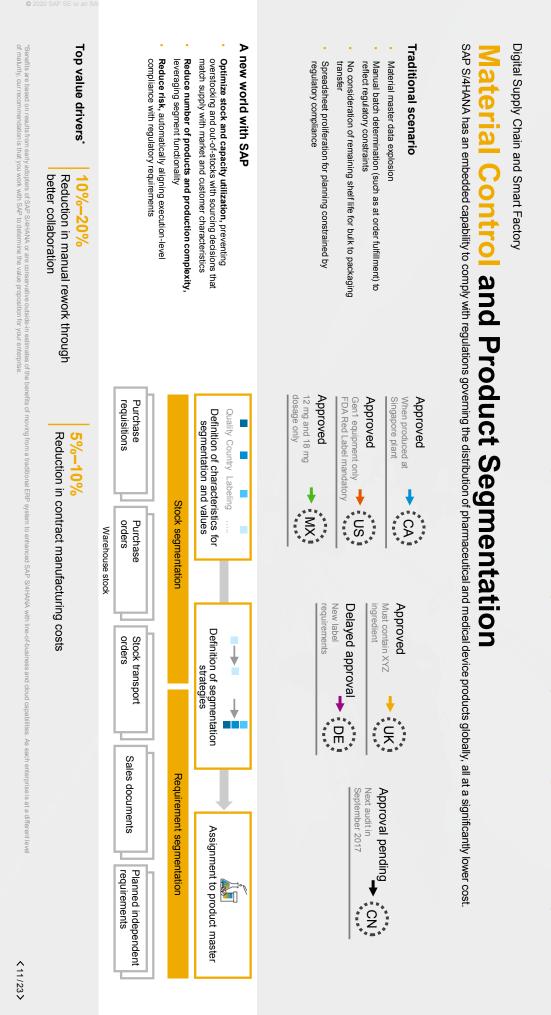


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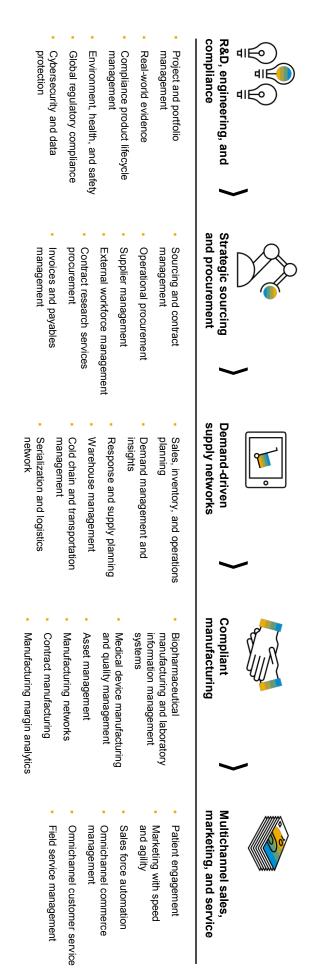
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Deep Dives Along the Life Sciences Value Chain

The following are primary capabilities where value can be achieved through SAP S/4HANA and line-of-business (LoB) solutions.

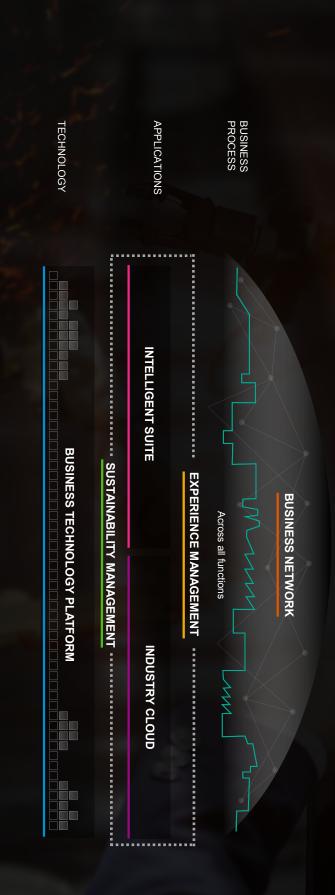


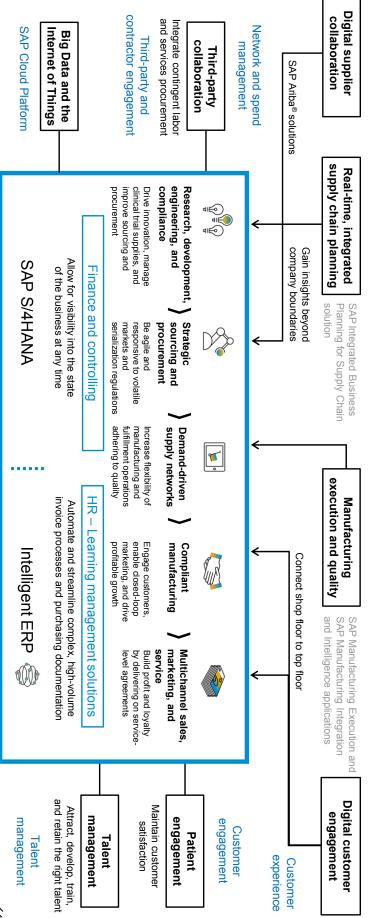
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SAP Strategy – Deliver the Intelligent Enterprise

Intelligent enterprises run agile, integrated business processes and use advanced technologies such as artificial intelligence, machine learning, and the Internet of Things.

and sustainable. partner, and employee sentiment, and they understand and manage their environmental impact. This makes them resilient, successful They apply leading-edge industry best practices and work together to build flexible value chains. They evaluate and act on customer,







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An end-to-end intelligent enterprise for life sciences companies Life sciences companies need to constantly innovate across their company value chain to drive profitable growth and adhere to regulatory requirements for product quality and patient safety. The capabilities delivered with SAP S/4HANA and its preconfigured, native integration with LoB solutions from SAP help ensure processes run smoothly and efficiently across the drug and device lifecycle, allowing companies to balance supply and demand, drive sustainable revenue growth, and maintain margins.

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SAP S/4HANA Provides Capabilities and Experience to Enable

Strategic Priorities

Customer centricity to improve patient outcomes

therapy – Provide the ability to personalize patient treatment E2E scenario: Patient-centric targeted treatment

using real-time alerts and continuous monitoring E2E scenario: Cold-chain biopharma outbound logistics – Transform shipment of cold-chain products

> ecosystem Organizations competing and collaborating as an

collaboration - Enable better design of drugs and devices E2E scenario: Intelligent product design and

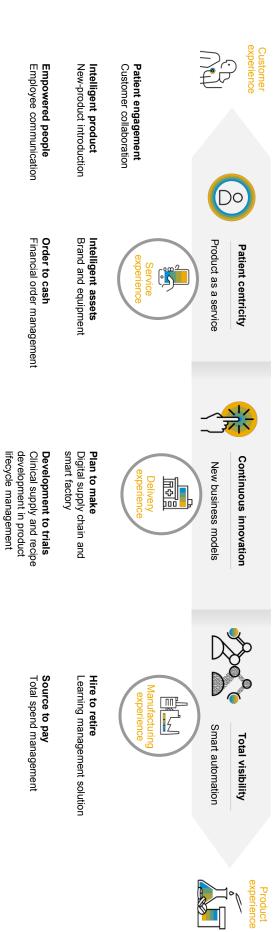
with data-driven insights to transition into development E2E scenario: Recipe development and formulation –

production of drugs and devices during tech transfer to commercial manufacturing for Transform formulation and recipes using real-time alerts

Digital supply chain and smart factory

driven MRP - Enable efficiency in a regulated industry E2E scenario: Process simplification with demand-

better using data-driven insights. segmentation – Better plan and execute clinical trials E2E scenario: Material control and product





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SAP's Value Proposition for Life Sciences Companies

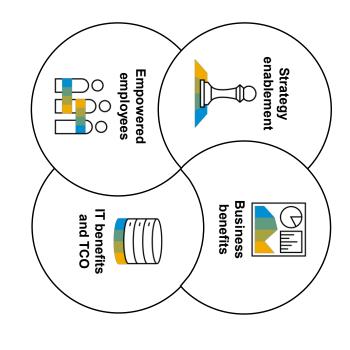
SAP S/4HANA provides life sciences companies with a proven framework to adopt industry next practices while attaining operational excellence across the full value chain.

Strategy enablement

- Accelerate creation of new business models
- Enter new markets and industries
- Accelerate synergy for mergers and acquisitions
- Run live (SAP Digital Boardroom)
- Reorganize on the fly
- Achieve greater speed and agility
- Run simply (master complexity)
- Manage risk and ensure compliance

Empowered employees

- user experience on all devices Higher productivity with a new, role-based way of working with the responsive, intuitive SAP Fiori®
- Role-driven, user-centric processes and self-service business intelligence for user empowerment
- Actionable insights on unified, real-time data for decision support and processes with built-in system suggestions



Business benefits^{*}

- 10%-20% increase in on-time delivery
- 10%-20% increase in revenue from new products and services
- 25%-30% increase in patient satisfaction
- 5%–10% increase in quality of care
- 1%-2% reduction in total manufacturing costs
- 10%-20% reduction in procurement costs
- 10%-20% reduction in manual rework through better 3%-5% reduction in total logistics costs collaboration

IT benefits and total cost of ownership (TCO)

- Reduced data footprint
- Insight into outcomes of business transactions from within the application
- Insights and data from multiple applications,
- aggregating across process steps
- system to secure the data No data replication needed; data remains in the
- Simplified landscapes
- Native integration

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Customers Are Achieving Value with SAP Solutions

Daewoong Pharmaceutical





www.daewoong.com

transformation study. Click here to read the business

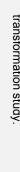
been improved, where the company is saving 1,820 person-hours. processes. Customer management processes and workforce productivity have based on more-accurate profit and loss information informed by fully digital managed in the cloud. It now has improved sales policies, products, and channels used SAP software to integrate data from five subsidiary companies to be the lives of people around the world. To support this, Daewoong Pharmaceutical Daewoong Pharmaceutical Co. Ltd. set its sights on global expansion to improve

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challenges of Industry 4.0 by integrating agile and modern SAP technology. by introducing the SAP ERP application. Today, we are responding to the new We laid the foundation for becoming a global pharmaceutical company in 1997

YoungHo Park, Director of Global SCM Innovation, Daewoong Pharmaceutical Co. Ltd.





SAP solution SAP S/4HANA

Customers Are Achieving Value with SAP Solutions

Reach Surgical Inc.

Life sciences and Industries

Customer Web site

www.reachsurgical.com

I have greater visibility – especially into the supplier network.

"

T.C. Fung, Chief Technology Officer, Reach Surgical Inc.

With SAP S/4HANA our processes are more streamlined and integrated.

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transformation study.

Click here to read the business

healthcare

after going live and has cut five days off the financial monthly close cycle.

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improving decision-making. It processed four million sales orders on the first day Now, its processes are integrated, increasing control and efficiency while also Surgical Inc. was the first in Asia to adopt the latest version of SAP S/4HANA

To support plans for continued growth and meet increasingly higher demands for minimally invasive surgery, trauma care, and faster recovery times, Reach

Support

and SAP Services and SAP S/4HANA, SAP ERP, **SAP solutions**

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Customers Are Achieving Value with SAP Solutions

Zambon

Life sciences J Industry

Customer Web site

www.zambon.com

agility, partner integration, and process automation for deeper insights and

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Luigi Romanelli, CIO, Zambon SpA

Our digital journey started with SAP S/4HANA as the core. Now we have greater

tighter control.

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transformation study.

Click here to read the business

SAP S/4HANA, SAP Fiori, and SAP Analytics Cloud

SAP solutions

digital enablement was key to sustaining growth. Zambon improved performance with offices in 20 countries and products marketed in 87 countries, it knew that

Zambon SpA has been improving people's health for more than 100 years. Now,

reengineering of product lifecycle, quality, and recipe management.

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central digital core. Zambon improved business process automation, including the for more than 1,000 users across 10 countries by moving from legacy ERP to a \approx

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Customers Are Achieving Value with SAP Solutions

Enable Injections



SAP solution

SAP S/4HANA

Customer Web site Click here to read the business www.enableinjections.com

transformation study.

and costing, production planning, materials management, quality management, development of enFuse, which allows patients to self-administer treatments. management. It has also automated management of FDA requirements. product lifecycle management, compliance, HR, training, and document With SAP software, the company has a fully integrated system to support finance Enable Injections Inc. is helping patients get their lives back through the

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about this company. that shows our pharmaceutical partners and our investors how serious we are requirements - including what we need for FDA compliance. It's an investment SAP is a one-stop shop. The technology is fully integrated and covers our

Tim Flaherty, Chief Financial Officer and Executive Vice President, Enable Injections Inc.



Customers Are Achieving Value with SAP Solutions

Farma-Tek

Life sciences , Industry

Customer Web site

www.farma-tek.com

all of our functional requirements.

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We chose SAP S/4HANA as a long-term infrastructure investment that meets

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Seyhan Yıldırım, General Manager, Farma-Tek

SAP solution SAP S/4HANA

transformation study.

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Farma-Tek improved the health and well-being of citizens through high-quality medication and accelerated customer order fulfillment due to efficiencies in

inventory control and first expired, first out (FEFO) methodology.

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Farma-Tek is a privately owned pharmaceutical company based in Istanbul, Turkey. SAP S/4HANA runs all of Farma-Tek's business processes on a single

platform.

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Genor V Life sciences SAP Preferred Success SAP S/4HANA Cloud and **SAP solutions** Industry **Customer Web site** transformation study. Click here to read the business www.genorbio.com

biopharmaceutical leader.

after go-live. Today, we're using the solution to help meet our goals as a of our implementation project and the smooth operation of SAP S/4HANA Cloud Dedicated support from SAP Preferred Success helped ensure the success

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Paul Xu, IT Head, Genor Biopharma Co. Ltd.

therapeutics to patients worldwide. located in Shanghai, China, founded in 2007 to bring groundbreaking affordable Genor Biopharma Co. Ltd. is a clinical stage biopharmaceutical company

finance and other key business areas and expanded control over R&D projects. financial processes and other business operations. It improved processes across The company pursued cloud technology to eliminate data silos and standardize





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