



How To Hold Your Supply Chain Accountable

Understanding the Need for Pharmaceutical Supply Chain Visibility

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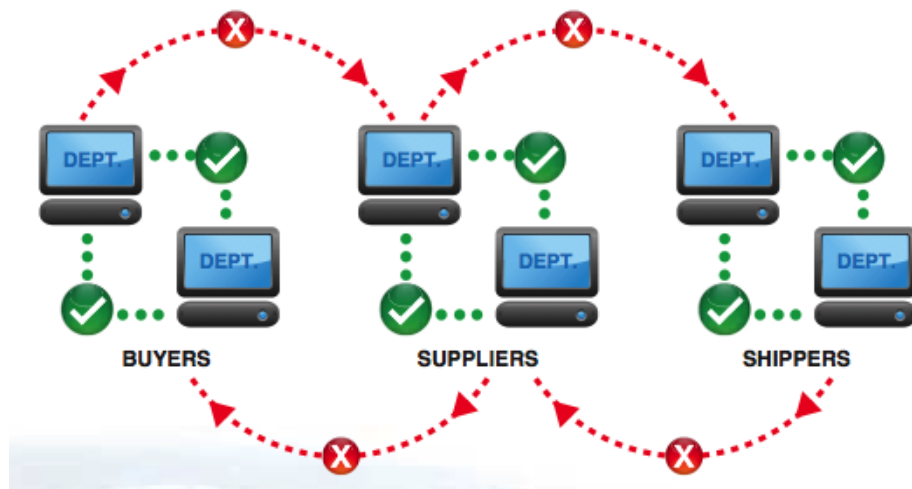
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Introduction

Are these some of the issues you're tackling today?

- Limited visibility during the procurement processes in the outsourced manufacturing supply chain
- Failure to gain control over supply purchasing costs

In today's global world a company's supply chain is no longer isolated within that organization. Today's supply chains contain a web of partners and dependencies. An increase in the information a company has can reduce bottlenecks, identify process improvement opportunities and make government supply chains function better and at a lower cost.



The widespread trend of establishing plants overseas or outsourcing to specialists who can provide unique value and drive down costs shows no signs of slowing. This model is not without its own set of challenges. Growing globalization increases the complexity of the enterprise and moves management of critical operations outside of its own four walls, replacing the traditional single supply chain with a complex supply network.

What is Supply Chain Visibility?

Supply chain visibility can be defined as the awareness of, and control over specific information related to product orders and physical shipments, including transport and logistics activities and the statuses of events and milestones that occur prior to and in-transit. Achieving supply chain visibility is no easy task. In order for it to be truly valuable it must be all-inclusive. Piecemeal information will only provide a look into a small segment of the organization.



Adding Complexity with Multi-Tiered Networks

Due to the complex nature of multi-tiered global supply-demand networks, increasing visibility has become a critical strategy for reducing costs and improving operational performance. In order to create the most effective execution and responsiveness of the supply chain, supply and demand must be tightly synchronized along with the harmonization of the movement of goods, information and funds. In order for a company to gain visibility they must not simply rely on basic track and trace functionality but must integrate all processes that create the seamless flow of end-to-end transactions regardless of global complexity.

According to recent studies carried out by the Aberdeen Group, the key business pressures facing Chief Supply Chain Officers included: the impact of increasing supply chain complexity as well as rising supply chain management costs. As a result of these key pressures it has been derived that in order to improve visibility, operational pressures of growing global operations and complexity, and the need to improve speed and accuracy must be top of the mind.

Increasing Costs without Increasing Revenue



Due to the growing complexity many companies are facing an obvious increase in supply chain management costs. The global economic turmoil that the world is currently in has inevitably led to companies trying to cut costs, which has seen many of these companies looking to cut costs from the organization of supply chains while enabling faster and more efficient responses to changing customer demands as well as the chance to become more responsiveness and agile.

Reducing Expenses Starts with

Reducing costs by driving down excessive inventory is a prime example of what iOPharma can do for those in the pharmaceutical industry. Driving down these inventory costs has become critical for companies in today's supply chain environment.

In order to relieve the pressures of globalization and supply chain cost many companies have adopted specific strategic actions. Many of these strategic actions refer to internal collaboration, as many companies struggle to integrate data across various management systems and internal groups.

All companies need internal collaboration but the need for external collaborations grows directly with the degree of overseas sourcing. In terms of strategic actions the leading companies desire higher levels of control and coordination with the external partners they depend on. Visibility across end-to-end



supply chains is a top priority. Companies of all sizes are trying to tackle rising supply chain costs by increasing seamless systems and process flows within their own company and within their external partners.

Supply chain globalization, increased complexity, cross-channel pressures and more collaboration across the multi-party order-to-delivery cycle have created new challenges that companies need to address. The need for seamless integrated visibility and responsiveness across multiple enterprises, and the degree of complex multi-enterprise interactions increases with the number of partners and length of shipments.

Race to Close the Gaps

Throughout the order to fulfilment cycles, companies of all types race to close visibility gaps. In order to address these visibility challenges companies have to do more to enhance their visibility across the following areas: product and shipment visibility, transport and logistic events, supply chain finance & intelligence and enabling dynamic collaborative processes.

Supply chain visibility alone; however is simply not enough to resolve all an organizations problems. It goes without saying that supply chain visibility is greatly important but it is not the end goal. What companies really need is the ability to leverage visibility to take action. Without the correct tools to drive response visibility provides only minor advantages to the organization. Therefore organizations must look to solutions that provide tools and technology, to not only achieve supply chain visibility, but to leverage that visibility in responding to change across the extended supply network.