

Case Study MACOPHARMA



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Macopharma is a world leader in blood transfusion, offering innovative products and services to collect, process, store, and distribute blood components while meeting the highest safety and quality standards. The company has also developed a wide range of biotherapy solutions to help patients during every step of the cellular therapy process, from stem cell collection and cryopreservation to cell treatment and transplant therapies.

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Challenge

Macopharma produces and distributes millions of blood transfusion kits, needles, and filters each year. Like most life science companies, its supply chain is lengthy and complex, with BOMs that span multiple production sites and subsidiaries. Regulatory constraints and business continuity requirements add further complexity.

At the end of 2019, despite an inventory level of more than 200 days, the company's service rate was less than 90%. Macopharma executives were determined to boost agility and transform their supply chain into a competitive advantage—especially critical in the context of a call for tenders environment with contracts that last up to 8 years.

Solution

Thanks to the multisite nature of their material flows, Macopharma executives had already worked to establish strategic decoupling points, where storing additional inventory would create a safety buffer that helped mitigate potential disruptions. However, the company's ERP made the process difficult to design, and planners struggled with the spreadsheets they'd set up to help them manage it.

Enter Intuiflow (formerly Replenishment+) and the demand driven methodology. Macopharma executives were drawn to the technology for its ability to deliver a more comprehensive view of strategic inventory positions—with a cloud-based interface that integrated seamlessly with their ERP. They were also interested in its ability to help them increase visibility, give production sites more autonomy, and reduce the time it took to react to changes in demand.

Results

Macopharma began implementing Intuiflow at the start of 2020. In spite of the global pandemic, the teams were able to work remotely to design and implement the management model, with progressive rollout dates at three different sites throughout the year.

Previously, finished products were subject to a fixed 6-week PMP to secure the provision of all components required for assembly. By ensuring the availability of these components, however, Intuiflow helped the company reduce this period—and, with it, lead times—from six weeks to two. Here's how breakdowns in the availability of components evolved over time in Macopharma's Tunisian sub-assembly site:



In addition to improving service and inventory performance, Intuiflow has also helped Macopharma ensure:

Better alignment and collaboration: Macopharma's central planning team works with manufacturing sites to define key MRP parameters. The manufacturing teams make autonomous decisions based on those parameters, then collaborate with central planning to improve the model.

Greater visibility: Through the Intuiflow's S&OP module, the central planning simulates future buffer behavior according to demand scenarios. Risks to supply are identified and addressed by product family.

On a daily and weekly basis, meanwhile, replenishment is triggered in a consistent and coordinated manner, according to product demand and relative buffer priorities—all while incorporating transportation and other logistical constraints.

As the supply chain director, what is most important for me is that I am much more confident in the inventory control we are going to have. It is very easy for me to have a view on what is going on in the multiple sites and around the 24 warehouses we have around the world.

Alexandre Mouroz, Tranfusion Division Supply Chain Director at Macopharma



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